Living with tourism. The Case of small-scale rural tourism business in Norway and Chile

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Living with tourism

The case of small-scale rural tourism businesses
in Norway and Chile

Sammendrag

Reiselivet omtales ofte som en viktig revitaliseringsfaktor for distriktskommuner i inn- og utland som sliter med ensidig næringsstruktur, sentralisering av offentlige velferdstilbud og fraflyttingsproblematikk, og stadig flere kommuner ser i reiselivet en vei ut av uføret. På denne bakgrunn, og sett i lys av det forhold at reiselivsnæringen (og da spesielt i distriktene) domineres av små- og mikrobedrifter, har forbausende liten oppmerksomhet blitt viet til den potensielle rolle disse bedriftene kan ha som utviklingsaktører i distriktene, og forskningen innen feltet fremstår som begrenset, partiell og fragmentert. Denne avhandlingen søker å bidra til mer kunnskap om emnet gjennom å rette fokus på små reiselivsbedrifter i utkantsområder og dere potensielle rolle som katalysatorer for distriktsutvikling.

Avhandlingen tar, motsatt de fleste doktoravhandlinger innen turisme, sitt utgangspunkt i det fortolkende paradigme og en kvalitativ tilgang til forskning og kunnskapsproduksjon. To caseområder ble valgt ut for empirisk datainnsamling, Tinn kommune i Norge og ADI Budi i Chile, kommuner som selv om de bokstavelig talt befinner seg på motsatt side av verden deler mange kjennetegn med hensyn til utfordringer (sentralisering, ensidig næringsstruktur, etc.) samt den rolle som på lokalt plan tillegges reiselivet som ”redningsplanke”. Avhandlingen er tverrfaglig gjennom en kombinasjon av økonomiske og sosiologiske teorier og perspektiver, samt gjennom anvendelsen av både en deduktiv og eksplorativ tilgang til frembringelsen av ny viten. Innenfor hvert av de to caseområdene er 11-12 små reiselivsbedrifter og deres eiere/ledere plukket ut for nærmere dybdestudier og intervjuer, i tillegg til andre aktører tilknyttet den lokale reiselivsnæringen i den utstrekning dette har vært relevant. Studiene viser at selv om de studerte bedriftene i de to caseområdene er høyst forskjellige, deler de også mange kjennetegn og utfordringer som muliggjør enkelte generaliseringer. Den gjennomførte forskningen viser at små reiselivsbedrifter potensielt kan spille en viktig rolle som katalysatorer for distriktsutvikling, på samme tid som en rekke identifiserte hindringer av så vel sosial som økonmisk og kulturell art hemmer dem i å inneha en slik rolle.

Når det gjelder å fungere som katalysatorer for distriktsutvikling har vi for eksempel i den norske casen sett at enkelte av bedriftene gjennom deres aktiviteter har bidratt til utvikling og nyskapning på lokalt nivå, blant annet gjennom å plassere Rjukan på kartet som Europas beste isklatrer destinasjon samt med hensyn til spin-off effekter for overnattingssektoren og den lokale handelsstanden. I den chilenske casen er reiselivsbedriftene og tilhørende aktiviteter nyskapende i

kraft av seg selv, forstått på den måten at turisme er en ny næring i lokalsamfunnet og omvedliggende kommuner. I tillegg har endringer på lokalsamfunnsnivå også forekommet både i den chilenske og norske casengjennom at reiselivsentreprenørene har skapt "leading edge businesses" som har fungert som rollemodeller og har inspirert andre i lokalsamfunnet til å starte opp egen virksomhet samt tiltrukket bedrifter og etableringer utenfra. I Chile har turismeprosjektet også medført forbedringer med hensyn til lokal infrastruktur (veier, elektrisitet og drikkevann) og prosjektet har skapt enkelte sesongbetonede arbeidsplasser blant lokalbefolkning. Små reiselivsbedrifter i utkantsområder representerer en manifestasjon av entreprenørskap og innovasjon, men da på bakgrunn av en tolkning av disse begrepene som ligger utenfor hva som er vanlig innenfor bedriftsøkonomisk teori.

Ved siden av entreprenørskap og innovasjon har avhandlingen søkt å kartlegge "familiedimensjonen" blant de studerte virksomhetene. Familiedimensjonen betyr rett og slet at langs hva vi kan kalle "familie-bedrift aksen" vil en familieorientert leder prioritere familien fremfor bedriften i tilfelle av konflikt. Årsaken til fokusen på familiedimensjonen har rett og slett vært det forhold at "familiebedrift" er rapportert som den vanlige eierskapsform og/eller ledelsesstil blant små bedrifter i utkantskommuner i både i- og uland, på samme tid som familiebedrifter (som reiselivsbedrifter) ofte beskyldes for å mangle entreprenørielle og innovative ferdigheter, og å være styrt av andre motiver enn økonomisk fortjeneste og vekst. De empiriske funnene i avhandlingen viser at familiedimensjonen spiller en viktig rolle i/for alle de studerte bedriftene, være det seg for eksempel i form av familiens eierskap i bedriften, familiemedvirkning i ledelse og daglig drift eller næringsvirksomhet tilknyttet en familieeiendom. Noen av reiselivsbedriftene ville sannsynligvis ikke ha blitt etablert eller overlevd om det ikke hadde vært for den betraktelige støtten, hjelpen og oppbakkingen fra familiemedlemmer. Familiedimensjonen var i tillegg også sentral på den måte at mangel på interesse og deltakelse fra familiemedlemmer hindret bedriftens utvikling og vekst, samt at utfordringen med å kombinere familieliv og det å drive en liten reiselivsbedrift var hovedgrunnen til at en av de intervjuede eierne hadde besluttet å legge ned bedriften.

Avhandlingen konkluderer blant annet med at det bør rettes spesiell oppmerksomhet mot det forhold at små reiselivsbedrifter i utkantsområder synes å ha karakteristika, motiver, målsetninger og behov som klart skiller dem fra andre SMBs, og skal man fra politisk hold lykkes med å stimulere disse bedriftenes utvikling og vekst så må fremtidige strategier og planer ta disse forhold i betraktning.

Abstract

This dissertation sets out to get a better understanding of the role that small and micro-sized rural tourism businesses might play as catalysts for rural development. Despite the high priority that it is being given to tourism as a panacea for rural development in both developed and developing countries around the world and the numerical dominance of small and micro-scaled operators in (rural) tourism little attention has been paid to the role that these firms might play as catalysts for rural development, and research into the subject seems surprisingly limited, partial and fragmented.

The study takes contrary to most doctoral dissertation in tourism , its point of departure in what is often defined as ”the interpretative paradigm” and in a qualitative approach to research and knowledge generation. Two case areas have been selected for empirical research, the municipalities of Tinn in Norway and ADI Budi in Chile, which although quite literally being on opposite “edges” of the world share several characteristics and challenges related to rural change and the priority given to tourism as a panacea to counter rural decline. Theoretical the dissertation has taken an interdisciplinary approach through a combination of economical and sociological perspectives and through the combination of a deductive and explorative approach. Within each of the two selected case areas 11-12 small-scale tourism businesses and their owner-managers have been chosen for in-depth interviews and studies. The research demonstrates that although the studied businesses are highly different, they still share several operational characteristics which allow for generalizations at a more aggregated level, and research clearly demonstrates that small-scale rural tourism businesses might play an important role as catalysts for rural development, at the same time as a number of identified challenges and constraints might prevent them from having such a role.

We saw that in the Norwegian case the studied businesses through their activities have contributed to interesting changes and developments in the local community, e.g. in placing Rjukan on the map as the most known ice-climbing destination in Europe or in spin-off effects for the accommodation sector and the local commerce. In the Chilean case, the tourism activities are by themselves innovative in the sense tourism is a new industry and a new line of economic activity for the Mapuche Lafkenche people. Furthermore, changes on the community level have also occurred in the sense that the tourism entrepreneurs have created “leading edge businesses that act as entrepreneurial role models inspiring others”, and the tourism project has in the Chilean case also lead to improvements in terms of infrastructure, electricity, portable water and has also created some seasonal jobs among some of the communities residents. Small rural tourism businesses do

represent a manifestation of entrepreneurship and innovation as more broadly conceived terms, albeit maybe an alternative interpretation from that generally associated with entrepreneurship and innovation as defined by economic theory.

One central aspect that the dissertation set out to investigate was the "family dimension" of the studied business. This was related to the fact that family business has been reported to be the dominant enterprise ownership and management style among small-scale rural businesses both in developed and developing countries, at the same time as family businesses are often accused of lacking entrepreneurial and innovative capacities and be motivated by factors other than business profit and growth. We found that family matters do play an important role for all of the businesses studied, being it in terms of family involvement in ownership and business establishment, management or the daily operations of the businesses or in terms of attachment to a family property or a clear "family first" orientation. In some of the situations we even saw that the tourism business would probably not have existed if it was not for the extensive support, help and backing from family members. The family element was, however, also central in the sense that the lack of participation from family members impeded the future development of the businesses, and we found that the challenge of combining the upbringing of small children and operating a small-scale rural tourism business was the main reason behind one of the owner-managers decision to shot down the business. Eventually we could thus argue that family dimension simply means that along what we could call the family-business line, motives, goals, plans and priorities of the owner-manager(s) tend to priority family considerations before business considerations.

In this respect, the research illustrates that special attention should be paid to the fact that small-scale rural tourism businesses have characteristics, motives, goals and needs which clearly distinguish them from the more traditional and production oriented small-scale businesses and that in order to spur their development and growth, strategies and plans which take these elements into consideration much be developed and applied.

Foreword

When I first started to think about taking a Ph.D. degree back in 1999 a collegue of mine, which later came to be my co-supervisor, told me about a lady he knew who had written her Ph.D. being a mother of three children. I hardly believed him, how could that be possible? Today, nearly a decade later, that lady is me. I still do not know how it is possible, I only know I did it.

However, this journey had not been possible without the support and encouragement from a number of people, and I would like to start out by thanking my family who, whether they've enjoyed it or not, has been on this trip with me for quite a number of years. The best thing about them is that they never lost fee in me, even when I did. I will also like to thank Aalborg University who made this dissertation possible, and especially Professor Dr.Phil. Ulf Hedetoft for support and backing in the beginning of the process and Professor Dr. Phil. Henrik Halkier for constructive assistance towards the end. I will also like to thank my co-supervisor Associate Professor Jorge Calbucura, Uppsala University and Associate Professor Anette Therkelsen.

Last, but not the least I would like to direct warm acknowledgements to all my informants both in Chile and Norway. Without their stories, reflexions and inputs this dissertation would not have been possible. In this respect I will like to mention that the names of the owner-managers of the small-scale rural tourism businesses both in the Norwegian and Chilean case have, according to a mutual agreement, been changed. I would also like to thank Sara Imilmaqui who helped me to make the first initial conctact with the informants in the Chilean case and who also assisted me during the interviews. Furrthermore, I am greatful to Anette Fagerberg who conducted a number of the Norwegian interviews and helped with the transcription of the Norwegian interviews, and to Maria Aalen who assisted in the transcription of the Chilean interviews. Finally, I want to acknowledge the work of Peter Glen who assited in the translation and proofreading of the final thesis.

Although a number of people have assisted and contributed to this dissertation, in the end the content and outcome are all my responsibility. Writing the dissertation has at occations been more challenging than I liked, and there has been times when I have seriously thought of giving in. However, standing here today I have to admit that I have learned a lot on this journey, academically of course, but not the least also at the personal level. I feel I have come to grow as a person, which

in the end means that the journey despite the constraints, uphills and downfalls, was worth it. It is thus just left to hope that the dissertation also will enlighten and interest the readers.

With regards,

Ingeborg Nordbø

Part 1: Setting the scene

Chapter 1: Small-scale tourism businesses and rural development

Chapter 1 presents the research theme and research questions of the dissertation. Section 1.1 discusses the challenges that rural areas around the world have been experiencing the last decades in terms of out-migration, centralization of public services, lack of job opportunities, etc. and the increasingly focus that has been given to tourism as catalyst for revitalization and new developments in rural areas in both developed and developing countries. Section 1.2 highlights the numerical dominance of small and micro-scaled operators in (rural) tourism and the the limitied research that has been conducted on these firms within tourism. Section 1.3 then presents the research theme and the research questions of the dissertation, which deals with the possible role of small-scale tourism businesses as catalysts for rural development. Section 1.4 then argues for the usefulness of applying a comparative case study approach in order to frame the research. Section 1.5 presents the outline of the dissertation.

1.1 Tourism - a catalyst for rural development?

Throughout most of history the human population has lived a rural lifestyle and has depended on agriculture and hunting for survival. In 1800, only 2% of the world's population lived in urban areas; in 1950 three out of every ten people lived in rural areas, while estimates indicate that for the first time in history half of the world's population will be urban by 2007 (UN 2005:13). Increased urban dominance in the post-war period has been accompanied by major rural restructuring involving primary rural economies being industrialized and the social composition changing (see for example Jenkins, Hall and Troughton 1998, Butler and Clark 1992, Long and Lane 2001). Today, rural areas around most of the world find themselves in a state of unbalanced development. Limited job opportunities, decreasing incomes, longer distances to basic services, falling populations and the out-migration of the most educated have led to a growing concern about the future of rural areas (see for instance Hyttinen et al., 2000, OECD 1994, Butler et al. 1998). As a result, rural development now occupies an increasingly important place in policy debates (see for example Roberts and Hall (eds.) 2001). Maintaining the economic and social viability of rural areas has become an important policy objective in most countries including Norway and Chile, where securing the settlement and livelihoods of rural people is regarded as essential for the well-being and overall socioeconomic development of the societies.

As the primary industries such as farming and fishing have been declining in rural areas, tourism is regarded by theorists, public and private institutions and organizations as a vital solution - and in many cases *the solution* - to the rural challenge (see for example Kajanus et al. 2004). Tourism is judged to be able to offer considerable economic and social benefits to rural areas in both developed and developing countries, for example thanks to the income and infrastructural developments it may bring (see for example Jenkins, Hall and Troughton, 1998, Pigram 1993, Pigram and Jenkins 1999; Roberts and Hall (eds.) 2001, Dirven and Schaerer 2001). Long and Lane (2001) argue that today the term 'revitalization' is often used to describe the importance given to tourism as a catalyst for rural development (see also Roberts and Hall (eds.) 2001, Vail and Hultkrantz 2000). According to Smith (1994) the term 'revitalization' generally means to:

> "...resist the direction of deterioration and to move actively, even aggressively, in the opposite direction – to begin anew. This life that is to begin anew is one of energized, determined existence, resisting that which whittles away at being fully alive"
>
> (from Long and Lane, 2001: 300).

The high priority given to tourism as a catalyst for rural development is linked to several observations of changes in technological, socio-economic and tourism consumption patterns. Innovations in transport and communication technologies mean that remoteness - in terms of both time and costs - is no longer regarded as a major problem for rural areas. OECD (1994) for instance argues that "distance and remoteness have become selling points, rather than barriers" (p. 21). More leisure time and higher levels of disposable income, a growing interest in heritage and outdoor activities, a fear of city crime and pollution, early retirement to rural retreats, etc. have also contributed to the fact that rural tourism and recreation today are one of the fastest growing elements of tourism (Hall et al. 2003, see also Butler et al. 1998, Long and Lane 2001). The World Tourism Organization (WTO) estimates the expected annual growth rate to be around 6%, which means rural tourism is developing faster than international tourism arrivals.[1] In Europe one quarter of the population visit the countryside at some time during the year (Sharpley 2004).

[1] WTO, http://www.world-tourism.org/cgi-bin/infoshop.storefront/EN/product/1354-1, last accessed 1. March 2006

Referring to various estimates, Roberts and Hall (2001:1) claim that tourism in rural areas makes up 10-20% of all tourism activity, and Long and Lane (2001) argue that:

> "Rural tourism has expanded beyond what we had come to know as the traditional major resort destinations. This is coupled with a substantial increase in consumer interest in the offerings and benefits of the rural tourism experience and a significant influence of technology that has narrowed the gap between urban and rural tourism marketing and promotion"
>
> (p. 308).

Using rural areas for recreation and tourism activities is a rather old phenomena (Sharpley 2004), but both the demand for rural tourism and the scope of the recreational activities undertaken and developed in rural areas are increasing and diversifying (Butler et al., 1998, Hall et al. 2003). Farm-based holidays, special-interest nature holidays and eco-tourism, walking, climbing and riding holidays, adventure, sport and health tourism, hunting and angling, educational travel, heritage tourism and ethnic tourism are today all upcoming niches within the overall framework of rural tourism.

1.2 Small and micro-sized businesses in rural tourism

The tourism industry numerically speaking is dominated by small and medium-sized enterprises (SMEs), and in a European context Middleton (2001) argues that micro-businesses make up to 95% of all tourism businesses (p. 199).[2] The dominance of small and micro-sized businesses in tourism is especially visible in the rural tourism sector (Clarke 2004, Shaw and Williams 1994, Sharpley and Sharpley 1997). Sharpley and Sharpley (1997) argue that in most countries rural accommodation, attractions, restaurants and other facilities are small-scale private and family businesses, and that particularly when compared to other sectors of the tourism industry, rural tourism tends to have relatively few large-scale operators. Getz and Carlsen (2005) argue that small and micro-scaled tourism seems to have a special appeal to entrepreneurs, sole proprietors and families since it provides the opportunity for easy entry into a number of business types which can often be a supplement to more traditional sources of rural income, such as farming.

[2] The study of small business in New Zealand by Cameron et al. (1997) found that SMEs accounted for 99% of all businesses. They employed 60% of the working population, but still 85% of the businesses had fewer than five employees.

Despite the high priority that it is being given to tourism as a panacea for rural development in both developed and developing countries and the numerical dominance of small and micro-scaled operators in (rural) tourism little attention has been paid to their role as catalysts for rural development, and research into the subject seems surprisingly limited, partial and fragmented (Dahles 1999, Page and Getz 1997, Tinsley and Lynch 2001, Markley and Macke 2002). In their review of tourism entrepreneurship Shaw and Williams (1998) identify the lack of integration of understanding the nature of small-scale tourism entrepreneurship in destination and industry development. Page et al. (1999), although with some reservations, actually claim that small businesses and entrepreneurship in tourism are still "terra incognita". Shaw (2004a) argues that this might be a slight exaggeration, but "in some senses, the widening research agenda is still fragmented and partial, with substantial gaps" (p. 123, see also Tinsley and Lynch 2001). Thomas (2004) argues that the field of small businesses in tourism is "vastly under-researched" and that "the dynamics of smaller enterprises in tourism and how they articulate with the economy and society remain relatively shallow" (p. 1). Shaw and Williams (1994) say that within tourism research there seems to be a lack of recognition of the fact that the majority of tourism entrepreneurs are small (p. 99), and they also highlight that surprisingly little research has been conducted on the subject (p. 74) (see also Dahles 1999, Lerner and Haber 2001, Faulkner 2003).

The impressions above are strengthened after a quick search for literature in three central tourism journals, *Annals of Tourism Research, International Journal of Hospitality Management* and *Tourism Management*, from 1979 through to 2005. Using different combinations of "entrepreneurship", "entrepreneurial", "entrepreneur(s)"[3] and "tourism", only 33 articles were returned. In comparison, a search for "entrepreneurship" alone returned 818 hits. After reading the abstracts of the returned articles, and when necessary the articles themselves, the number of relevant articles decreased by more than 50%.[4] A new search swapping "tourism" with "rural tourism" returned only three articles. Extending the search to include "small business", "micro-business/

[3] The terms 'entrepreneur' or 'entrepreneurship' are within wider tourism studies normally used to refer to small and micro-sized operators, often sole proprietors, but often with no further elaboration or definition of the typology (see section 6.1 where this lack of concretization among tourism researchers is problematized). Section 5.1 provides a short introduction to some common understandings of the terms 'entrepreneur' and 'entrepreneurship'.

[4] The articles in which small businesses/entrepreneurs *per se* were not the object of study were omitted. An example of the articles and issues that were excluded is van der Duim and Caalders (2001) in which the focus is on setting "a framework for intervention in the relationship between biodiversity and tourism against the background of the Convention on Biological Diversity", and in which they conclude that "for reasons of legitimacy, the position of small-scale entrepreneurs should receive more attention in international and national policy debates." (p. 1). In this article there are recommendations about the inclusion of small-scale entrepreneurs, but they are not "the centre" of analysis as such of the article.

enterprise", "SMEs" and "tourism" returned 18 more articles. Again, after using the same search criteria but swapping "tourism" with "rural tourism", only one extra article was found in addition to the three about "rural tourism" which had been spotted initially.[5] A quick review using the same search criteria to scan through all the editions of the *Journal of Tourism and Cultural Change* produced only one new article.[6] Finally, the *Journal of Sustainable Tourism* was searched from its establishment in 1996 up to and including the first volume of 2006, and 5 new relevant articles were returned.

These results are interesting as an indication of the relatively low level of attention that small businesses and entrepreneurship have been given in tourism research journals. A review of some of the more prominent books of rural tourism from the last decade[7] also illustrates that small and micro-sized businesses are not a highly prioritized theme and in most cases only sporadically addressed.[8] Adding to this challenge is also the fact that small and micro-sized businesses working with rural tourism are not included in the public hospitality and tourism statistics of most countries. In the Norwegian case, where the first case study in this dissertation is taken from, Aall et al. (2003) state that "Official statistics about the travel industry do not include small businesses with fewer than 20 beds or fewer than 8 camping cabins. Nor are individual cabins for rental or cabin sites included. Such small-scale travel businesses are often extensive in many local communities"[9] (p. 19).[10] They argue that in the case of the county of Sogn og Fjordane only 6.2% of tourism and

[5] Tinsley, R. and Lynch, P. (2001) "Small tourism business networks and destination development", in International Journal of Hospitality Management, vol. 20 (4), pp. 367-378.

[6] Roessingh, C. and Duijnhoven, H. (2001) "Small Entrepreneurs and Shifting Identities: The Case of Tourism in Puerto Plata (Northern Dominican Republic)", in Journal of Cultural Change, vol. 2 (3), pp. 185-202.

[7] Butler, Hall, and Jenkins (eds) (1998) Tourism and Recreation in Rural Areas; Page and Getz (eds) (1997) The Business of Rural Tourism. International Perspectives; Hall, Roberts and Mitchell (eds) (2003) New Directions in Rural Tourism; Roberts and Hall (eds) (2001) Rural Tourism and Recreation. Principles to Practice and Sharpley and Sharpley (1997) Rural Tourism. An Introduction.

[8] The collection of case studies about the business of rural tourism edited by Page and Getz (1997) identifies the paucity of research into rural tourism enterprises, and goes some way to addressing the specific situation of entrepreneurs and SMEs in rural tourism, but the approximation to the themes is introductory and implicit, as they are considered elements of the more general "business of rural tourism". As such, the book also lacks a more theoretical framing of entrepreneurship and SMEs in (rural) tourism. The case of Roberts and Hall (eds) (2001) is somewhat illustrative of the situation as the discussion of micro-businesses in European tourism is discussed via an "Invited Viewpoint" (Middleton 2001) consisting of four pages. However, articles and books addressing small and micro-sized businesses in rural tourism do exist (e.g. Morrison et. al. 1999, Thomas 2000), but they are normally addressing the more general aspects of small tourism businesses and the rural aspect is thus often to be sought implicit.

[9] "Offentlig reiselivsstatistikk har ikke med småbedrifter med under 20 senger eller under 8 campinghytter. Enkeltstående utleiehytter og hyttegrender er heller ikke regnet med. Slike småskala reiselivsbedrifter har i mange lokalsamfunn et stort omfang."

[10] Similar observations are made by other authors for instance Morrison (1998).

hospitality-related businesses had more than 20 employees. There is no reason to believe that the picture is any different in the rest of the country. Furthermore, in the case of Chile, which gives ground to the second case study in this dissertation, the problem is even more extensive since most of the rural tourism businesses operate on the informal economy and are thus not registered anywhere (see i.e. Williams and Thomas 1996).[11] In addition, since the majority of the existing research on small and micro-scaled tourism businesses as we will get back to in section 2.2 is conducted through quantitative approaches which tend to take their point of departure in the public hospitality and tourism statistics of a given country, the majority of small scale rural tourism businesses are not included in much of the conducted research.

1.3 Focus of research and research questions

The former two sections set the scene for the research interest of this dissertation which is to get a better understanding of the role that small and micro-sized rural tourism businesses might play as catalysts for rural development. In taking a point of departure in the limited existing research, we find that family businesses are reported to be the dominant form of enterprise ownership and management style among small and micro-sized enterprises in rural areas in both developed and developing countries (see for example Carlsen et al. 2001, Getz and Carlsen 2000, Westhead and Cowling1998, Dahles 1999)[12], which according to Getz et al. (2004) is related to "traditional land-owning patterns and the impracticalities of operating larger corporations in marginal economies" (p. 2). Both the more traditional tourism sectors in rural areas, such as farm tourism, and emerging sectors, such as nature and adventure tourism, are often reported to be sole owner or family operated. Karlsson and Lönnberg (2001: 81) in their study of small-scale tourism businesses in the Norwegian and Swedish countryside argue that many of the owner-managers studied claim that their businesses were a "family project" or that it was important that the business be "tied to the family". Nevertheless, the nature and extent of family businesses have only recently been researched or evaluated as a separate and distinctive field (see for example Chua et al. 2003) and Getz and Carlsen (2005) argue that within tourism this "has been treated only incidentally" (pp. 237-8, see also Andersson et al. 2002: 89). Getz and Carlsen (ibid.) highlight that research into

[11] This is a characteristic which Chile share with most other less developing countries, where developing countries according to The **Population Reference Bureau** include "all countries in Africa, Asia (excluding Japan), and Latin America and the Caribbean, and the regions of Melanesia, Micronesia, and Polynesia", see http://www.prb.org/Content/NavigationMenu/PRB/Educators/Human_Population/Population_Growth/Population_Growth_Q_and_A1.htm#ldc, last accessed 1. February 2006.

[12] In a Latin American context it is estimated that 9 out of 10 businesses are family businesses (Belausteguigoitia 2005).

family-operated tourism businesses in rural areas should be a priority since "owners often behave in ways that set them on a different course" (p. 250). Getz et al. (2004) argue that the importance of the family business *as a distinct form of management* has only recently been recognized by academics (p. 2). Thus, if a majority of small-scale tourism businesses in rural areas are family-operated this probably implies that their motivations, aspirations and operational characteristics might differ substantially from what is generally identified within the more traditional research into SMEs[13] with its "implicit assumption that wealth creation through competitive advantage is the sole goal of the firm" (Chua et al. 2003: 333). Dunn (1995) for instance found that it was not uncommon for family businesses to accept a lower return or longer paybacks on their investments (quoted in Getz and Carlsen 2005: 548). Economic theory postulates that the decision to establish a business should be based on an assessment of the best alternative use of the entrepreneur's time, but as noted by Westhead (1997) family-business owners are distinguished among other factors by providing employment to family members. Some authors thus argue that there is a need for a new approach to the understanding of small-scale rural tourism businesses in which the "family aspect" must be acknowledged and given much more consideration than has so far been the case (see e.g. Getz and Carlsen 2005). Thus, in relation to the discussion above the first research question in this dissertation is:

1. Are small and micro-sized rural tourism operators family businesses and what does this imply in terms of their business motives, plans and priorities?

The capacity to be entrepreneurial and innovative, that is to be able to respond quickly, proactively and constructively to changes in external and internal conditions is considered vital both for the survival of firms and for the development and revitalization of rural areas, and especially in order to keep up with the speed of change that characterizes what is often referred to as "the new economy" (see e.g. Hall 2001). During the last two decades there has thus been a growing recognition of the importance of entrepreneurship within tourism (see for example Shaw 2004a, Getz and Carlsen 2005, Ateljevic and Doorne 2000, Lordkipanidze et al. 2005). However, in general within tourism research there is a preoccupation with the lack of innovation of the majority of tourism and hospitality businesses (see e.g. Getz et al. 2004, Morrison 2006). Russell (1996 in Getz et al. 2004: 72) concluded, based on tourism-industry research in Ireland, that "the pursuit of innovation was

[13] Small and medium sized businesses (SMEs).

not an integral part of most enterprises surveyed and where innovations were claimed these happened to be essential business investment" (p. 116). On this basis Getz et al. (2004) argue that what Russell's study found was that owners "were only doing what had to be done, not creating new products or markets" (p. 72). Morrision (2006) argue that although we have seen examples of intensive entrepreneurial activity in the last decade as observed e.g. through the appearance of internet based booking agencies and budget airlines, this entrepreneurial activity is not representative for the tourism industry as such. Weiermar (2004) argues that even though the tourism sector have become a mature market requiring innovation the actual situation of the tourism industry is to be rather characterised by almost only cosmetic changes in product offerings, and on the basis of empirical studies from North America and Europe he concludes that there is a negative correlation between a firm's size and it's innovative activity.

It must be highlighted, however, that there does not only exist a preoccupation with the limited entrepreneurship or innovation of tourism and hospitality businesses, the same preoccupation applies to the general family firm which is often characterized as introverted, burdened by old traditions, inflexible and resistant to change (see for example Gersick, Davis, Hampton & Landsberg 1997). Thus, if a given business is both family- and tourism-oriented, what then about their entrepreneurial and innovative activity and spirit? Morrison (ibid.) argues that whether small family tourism businesses represent a manifestation of entrepreneurship or not clearly is an issue for debate. Getz et al. (2004) argue that little innovation is evident in the purchasing of established tourism businesses in existing destinations, nor is innovation evident in most of the lifestyle-oriented businesses where the family tourism business is often found and where growth is not pursued. Nilsson et al. (nd) argue that micro-enterprises in peripheral areas might even act as barriers to innovation in tourism products. Thus, against the background of the discussion above, the second research question in this dissertation is:

2. Are small-scale rural tourism businesses entrepreneurial and innovative and if so, in which manner?

Given the numerical dominance of small and micro-sized tourism businesses in the rural tourism industry, the survival, well-being and development of these firms are vital for the development of a given rural area and for the wider role of tourism as a catalyst for rural development and revitalization. However, according to a number of researchers, small-business failure is in general

an under-researched problem (see for example Thomas 2004), and within rural areas this is even more the case. The entry barriers to tourism are generally low and the rates of failure are high among small-scale tourism businesses, and according to Getz and Carlsen (2005) this is especially true of family-operated tourism businesses. They thus argue that since the tourism industry in many rural areas and remote regions is dominated by family businesses, "their prosperity and attractiveness will have major influence on the overall success of the industry" (p. 246). Most researchers recognize the importance of operating sound and profitable businesses, but apart from the often referred to low profitability, long working hours and the low entry and exit barriers to tourism, few have actually set off to grasp a more in-depth and holistic understanding of the challenges and constraints these firms experience. Shaw (2004a) among other authors argues that the dynamics of entrepreneurial tourism firms are only considered in terms of the dates of foundation and the rates of failure. Getz et al. (2004) argue that "when a family's livelihood is at stake, failure should not be taken lightly. More research has to be directed at determining failure and success factors for the family business in tourism and hospitality, because it is not currently possible to make predictions about these matters or even to weigh all the consequences" (p. 70). A more profound insight into the challenges and constraints that small and micro-sized rural tourism businesses experience when working with tourism on a day-to-day basis should thus also provide an insight that can guide future policy plans and programmes aimed at developing these firms. Getz et al. (ibid.) highlight that a vast quantity of books and manuals exists which aim to guide families and owner-operators in generic business terms, but that none have dealt with the unique opportunities and challenges related to owning and managing a tourism and hospitality enterprise and that core family-related issues have been neglected. Thus, the third and final research question in this dissertation is:

3. Which challenges and constraints do small and micro-sized rural tourism businesses experience in relation to working with tourism? And how do these factors affect their business' well-being and performance?

In approaching the proposed research questions this dissertation takes, contrary to most doctoral dissertation in tourism, its point of departure in what is often defined as "the interpretative paradigm" and in a qualitative approach to research and knowledge generation (see chapter 2). The dissertation is inspired both by the phenomenological and hermeneutical tradition within the interpretative paradigm, althought the author refutes the claim for objectivity found within the

phenomenological tradition. A central point about hermeneutics as a theory of understanding is thus the argument that all understanding is conditioned by the context or situation within which something is understood, and there is a focus on the notion that understanding a phenomenon involves interpretation and analysis. The interpretation of meaning is characterized by a circle or a spiral (the hermeneutical circle or method) whichl is a general model of the development of knowledge through an interpretative and dialectic procedure. Thus, in part 2 of the dissertation, which focuses mainly on the first two research questions, we take a deductive approach to the generation of knowledge where we on the basis of existing literature about family businesses and entrepreneurship in (rural) tourism will postulate a number of statements or hypotheses which can then be tested empirically against the primary data collected in the dissertation. When considered useful, the existing theoretical base will also be supplemented with secondary sources and more general research into SMEs, entrepreneurship and family businesses. In part 3 of the dissertation we will, on the basis of the empirical and theoretical findings in part 2 and in line with the premises of the hermeneutical circle, apply a more explorative and inductive approach to knowledge generation. We will take the point of departure in the primary data collected in the dissertation and through an explorative everyday life approach we will focus especially on the third research question, and try to identify a number of challenges and constraints which might hinder the role of small-scale rural tourism businesses as catalysts for rural development. The findings in part 2 will also, in line with the premises of the interperative paradigm, when perceived fruitful be mirrored in light of the socioeconic, cultural and historical context in which they are framed. Finally, on the basis of the empirical and theoretical findings from part 2 and 3 of the dissertation, a combination of an inductive and deductive approach is applied in part 4 of the dissertation, where a more through discussion of the premises, theories and conditions of rural everyday life and the situation of small-scale rural tourism businesses is taking place. In the hermeneutic tradition, the circularity as described above is not considered a 'vicious' process, rather it is perceived as enriching and fruitful, where interpretations of parts of "the text" which are continuously related to the whole, gradually opens for a more deep and complete understanding of a subject of research which, as argued, is highly in need of both empirical and theoretical development and knowledge generation.

1.4 A comparative approach

Two case areas were selected for empirical research, the municipalities of Tinn in Norway and ADI Budi in Chile (see chapter 3 for a more detailed description of the cases). Although the two case areas are quite literally on opposite "edges" of the world, or perhaps partly due to this, they seem to

share several characteristics and challenges related to tourism development and rural change. Butler et al. (1998) argue that the processes that drive the changes in contemporary rural areas are global in scale, and that while there is of course a diverse range of local variations, "the overall effects have been similar in all rural areas" (p. 14). Furthermore, Carter (1996) argues that the main management characteristics of small firms remain similar regardless of nationality. Whether this holds true is difficult to measure, but it highlights the relevancy of applying a comparative approach. Furthermore, with reference to the family businesses in tourism international comparison is at the exploratory stage and comparative cases studies can thus help to identify areas of convergence which can allow for more systematic studies later on (see e.g. Andersson et al. 2002).The applied cases were thus chosen as research areas both due to a number of similarities and a number of differences.

With reference to their similarities both case areas are illustrative of more general trends in rural areas in their respective countries, e.g. with reference to population decline, centralization of public services, limitied job opportunities, decreasing incomes, etc, i.e. tendencies that have been a characteristic feature of rural areas in both Norway and Chile throughout recent decades and resulting in extensive out-migration. In Norway there has been continued centralization in the internal migration pattern since the Second World War, but with slight variations such as in the 1970s when there were successful political incentives to fight the tendency of centralization. Today, only 22% of the Norwegian population remains in rural areas, and the tendency is for further out-migration (SSB 2006c). In the case of Chile a rural population was predominant until the 1940s, for example 53.6% of the total population in 1920 (INE 2005a: 42-43). Today, Chile is one of the most urbanized countries in Latin America, with only some 13% of the population residing in rural areas (ibid.). In Chile, however, there are also other important factors contributing to the rural situation of which the most important may be the fact that Chile remains a country of severe disparities in terms of high inequality in incomes and marked differences between the demographic groups. The World Bank (2005) highlight that especially indigenous populations, young people, households headed by women and rural residents are vulnerable in such respect. There is also a clear connection between two of these groups since especially in some regions in the south of the country, like in ADI Budi, the rural population is mainly indigenous.

Appart from rural decline yet another shared point of reference between the two cases is the dominance of small-scale businesses within the rural tourism sector (see e.g. Dirven and Schaerer

2001, Faiguenbaum Ch., S 2001, Holmengen og Akselsen 2005) and the relatively new and high priority given to tourism as an increasingly vital option for rural development and settlement (see for example Skogstad 2004; Ortega Rivas 1998; Ruiz 2003, Faiguenbaum Ch. 2001, Dirven, M. and Schaerer, J. 2001). In both countries and case areas rural tourism was introduced from the start as a diversification strategy for small, rural, farming families, and due to the natural resources and historical characteristics of the two case areas the local focus has largely been on rural tourism development related to natural and cultural based features (see for example Holmengen og Akselsen 2005, Ortega 2001).

Comparing the two cases is however, as argued, also interesting due to several differences between them. For instance, the fact that the entrepreneurs investigated represent two fundamentally different cultures, since the family-run tourism businesses investigated in Chile all belong to a minority culture, the indigenous Mapuche people, while the Norwegian families belong to the majority culture. Much of the indigenous tourism is situated in rural areas (Getz and Jamieson 1997) and often faces severe challenges and constraints. Page and Getz (1997) for instance argue that: "Many native communities lack the experience and training necessary to develop businesses, particularly where the community has traditionally relied on collective activity and decision-making" (p. 195). They thus conclude that entrepreneurship is not very common in many native communities and that it probably needs to be stimulated and supported. Getz et al. (2004) argue that the tourism and hospitality literature contains many examples of indigenous or aboriginal tourism development, but that few deal with individual entrepreneurship or family matters (see also Getz and Nilsson 2004). In this respect several tourism researchers recognize the proprietorship problem and the lack of inclusion of small-scale entrepreneurial tourism businesses in the overall tourism development plans in developing countries (see for example Smith 1994, Dahles 1999).

Yet another interesting difference between the two cases is that one of the cases is defined as a developed country (Norway), while the other as argued in the former section, falls within the category of less developed countries (Chile). Britton (1989) percives the tourism industry as a part of the set of unbalanced linkages between developed and developing countries, and as such an interesting arena for comparative studies. Shaw (2004a) argues that research into small-scale businesses and entrepreneurship in tourism is strongly divided between developed and developing economies, and has relatively few points of comparison (see also Thomas 2004). He highlights the importance of further comparative research and argues that some obvious shared characteristics do

exist, such as low entry barriers and the strong elements of economic marginality. In a developing context, tourism is also often a strategy for pro-poor development and empowerment (see for example Rogerson 2004) and the comparative approach thus also allows for an analysis of the way the conditions of everyday life, e.g. historical happenings and structures, the socio-economic situation and public and private policies, affect the tourism businesses, and how an understanding of these factors in fact becomes vital to understand the very essence of the challenges and constraints identified.

1.5 Outline of the dissertation

The dissertation is constructed in the following manner: Part one consists of chapters 1-3 and forms what we might call the introductory part of the dissertation, that is in this part of the dissertation we present the subject of research and the research questions of the dissertation (chapter 1), the methodology, methods and research design applied (chapter 2) and the cases and case areas where the empirical research has taken place (chapter 3). Part 2 is the commencement of the analysis and centres especially on acquiring a better understanding of the first two research questions stated in section 1.3. The first two chapters thus, through a deductive approach, center on aquring a more through insight into the significance and importance of the family aspect or dimension (chapter 4) and the entrepreneurial and innovative capacity (chapter 5) of the businesses studied empirically in the dissertation. Furthermore, part 2 also argues for the usefulness of supplementing the deductive and economical approach applied in chapter 4 and 5 with a socioligcal theoretical base and an explorative and inductive approach to the generation of knowledge in order to further enhance our understanding of the applied subject of research (chapter 6). While part 2 of the dissertation thus focuses especially on the first two research questions, part 3 of the dissertation consentrates especially on the third research question. Throughout the chapters in part 3 we shall look into a vast number of challenges and constraints reported by the owner-mangers which deals both with internal and external determinants, and thus stretch from the personal level dealing with personal characteristics of the owner-managers, through to the macro level and issues related to the supportive enivorment of the small-scale rural tourism businesses. We will experience that while some of the reported challenges and constraints are industry-specific, others are related to the geographical remoteness of the businesses and other are more generally related to the “smallness” of the firms. In part 4 of the dissertation we will continue our search for a meaningful and more complete understanding of the challenges and constraints of operating small and micro-scaled rural tourism businesses in rural areas by picking out some of the incoherent parts of the empirical

material from part 2 and 3 of the dissertation, the “loose ends” and unanswered questions, and try to penetrate the layers which manifest themselves to seek out a deeper understanding of the subject of research. As we progress, we will thus also discover that the crux of the matter is ultimately an existential discussion about the pros and cons of modern life.

Chapter 2: Methodological Considerations, Research Approach and Methods

Chapter 2 is constructed in the following manner: section 2.1 introduces the chapter by presenting some of the main concepts; section 2.2 is a review of methodologies and methods in the more general tourism research; section 2.3 presents and discusses central aspects and concepts of the qualitative research approach and places the study in relation to the different strands and fields within the interpretative paradigm; section 2.4 and 2.5 introduce and discuss the research approach and design applied in the dissertation; section 2.6 outlines some of the considerations that have been made concerning the empirical and analytical part of the dissertation; finally, section 2.7 discusses aspects of what is frequently referred to as the methodological problems of qualitative research, those of validity and reliability.

2.1 Introduction

In this chapter the aim is to present the methodologies, research approach and methods used in this dissertation. The goal of any research process is to produce new knowledge, but knowledge production is no static phenomenon; rather, it is a process during which a number of decisions and factors will eventually have a significant say for the knowledge produced (see e.g. Andersen 1998; Kvale 1997; Collin and Køppe (eds.) 1995). The terms "methodology" and "method" are important concepts in the knowledge-production process, but they are often confused. According to Rigby (1965) methodology is the study of the different procedures we use when conducting various research activities, and which consequences these choices have on the research results at which we arrive. Kvale (1997: 18, 179) argues that the etymological meaning of the term "method" is the way to the goal. In this dissertation, methodology is understood to refer to more than a simple set of procedures or methods; it also alludes to the rationale and the philosophical assumptions that underlie a particular study, while method is understood more narrowly as the research strategies and techniques which can be applied to explore a given phenomena. Andersen (1998: 18) points out that, in clarifying methodology, one cannot omit a discussion of which underlying assumptions the procedures rest on and which types of explanation we regard as satisfactory. The rationale and underlying assumptions of research are often referred to as meta-theory, which is defined by Andersen (ed.) (1990) as "a theory about other theories in which broad focus is on the underlying

assumptions of theories"[14] (p. 79). In connection with this, the concept of "paradigm" can also be defined as the basic assumptions of a research field with regard to its field of study (Nordbø 1998). Working on this dissertation has made clear the fact that within social-science research generally, and perhaps especially within the field of tourism, as will be further elaborated on in the following section, it is rare to find any descriptions or explanations referring for example to the ontological or epistemological assumptions of the research.

2.2 Methodologies and methods within tourism

Riley and Love (2000), who conducted a study of the extent and degree of qualitative research and the use of methods within tourism by going through four leading, recognized tourism journals (Journal of Travel Research (JTR), Annals of Tourism Research (ATR), Tourism Management (TM) and Journal of Travel and Tourism Marketing (JTTM)) from 1973-1996, concluded based on the number of quantitative articles vs qualitative articles that positivism is the dominant paradigm in tourism research.[15] The positivistic paradigm is closely linked to the natural sciences (see for example Johannesen 1985: 64). Positivism contends that the social sciences and humanities can be researched and analyzed like natural sciences, and in this lies the view that they therefore can be based on objective, quantifiable data with the predictability and control of others' behaviour as the goal (Kvale 1997: 24). Scientific knowledge is thus supposed to be objective, quantifiable, bereft of contradictions, intersubjectively reproducible and value-neutral. The epistemological aim is often to explain the causes of the phenomena which have been made the object of study (Andersen 1998: 41). Positivism also has great confidence in the ability of empirical research to reflect reality directly. Walle (1997: 535) describes the use of positivism and the corresponding use of more natural-scientific and quantitative methods within tourism thus:

> "Although Louch points to grave weaknesses in the scientific method, tourism exists in an era in which the prevailing paradigms and tools of research have long bolstered, justified, and added credibility to scientific and quantitative methods. As a result, it has been easy for many researchers (in and out of tourism) to write off qualitative research as the absence of scientific/quantitative methods in a way which is analogous to defining darkness as the absence of light. In this scientific

[14] "en teori om andre teorier, hvor det i vid utstrekning fokuseres på de underliggende forutsetninger for teorier"
[15] In 1996 a conference was held in Jyväskylä in Finland with the title "Paradigms in Tourism Research", where the aim was to "discuss the master paradigms influencing this research, the various methods by which knowledge is accumulated, and to promote dialog that encourages alternative approaches to the study of this field" (Riley and Love 2000: 165, see also Dann 1996).

> age, it is often assumed that those using methodologically vulnerable methods will eventually gain 'enlightenment' just as modern medical techniques replaced witchdoctors in 'primitive' tribes"
>
> (p. 535).

The discussion about qualitative and quantitative research approaches and methods within tourism has at times been rather heated and Walle (ibid.), referring to Lewis, Chambers and Chacko (1995) among others, points out that when qualitative research methodology has been used within tourism research, the qualitative research has typically been "reduced to helping create and pose hypotheses which can then be tested and refined using scientific and/or statistical research methods and models" (p. 524). Walle thus argues that rigid typologies and quantitative methods are in many cases not able to capture the plenitude and diversity that the tourism researcher encounters in his/her studies, and one of the consequences of this is that researcher risks oversimplifying the phenomenon at stake (see also Boyne 2003: 20). Lowych, van Langenhave and Bollaert (1992), who studied typologies within the tourism literature, concluded that a great deal of existing tourism research is "simple and sterile" (1992: 30 quoted in Walle 1997: 525). Other authors (Pearce and Butler 1993; Seaton 1994) point out that much tourism research lacks a theoretical basis and is methodologically unsophisticated.

Walle (ibid.: 524, 526) argues in line with the above for using more eclectic research designs and for including a greater variety of research techniques. Several newer researchers have thus, in line with Walle, entered the fray and expressed the need for qualitative and inductive approaches (see for example Shawn 2004 and Boyne 2003) in tourism research. Boyne (2003) points out what he regards as the limitations of the quantitative approaches especially during the preparatory stages of tourism research: "While this type of approach is useful, there is a danger, however, that it can stifle the contextual sensitivity which is often required during the early stages of research, for example, work being undertaken in a new geographical context" (p. 20). Gartner (1996: 27) also argues for the relevance of a broader and more holistic approach to tourism, and, as Page and Getz (1997) point out:

> "It is increasingly being acknowledged that the multidisciplinary research skills needed to understand the operation, organization, impact and management of tourism in different destinations and areas requires a greater degree of

> interdisciplinary cooperation and research which is able to broaden our understanding of tourism phenomena"
>
> (p. xv)

Riley and Love (2000) argue, however, that although a number of researchers have recently questioned the value of quantitative research because "it cannot fully address questions of understanding and meaning" (p. 166), quantitative methodology and methods still seem to predominant in tourism research. And although Flick et al. (2004) argue that qualitative research has now achieved the status of a "paradigmatical 'normal science'" (p. 3), we can see that within tourism research this is hardly the case.

2.3 A qualitative approach

The quantitative methodology and methods that as argued in the former section dominate the general tourism research are also predominant in doctoral curricula in tourism and, as Riley and Love (2000) argue:

> "The philosophy and practice of qualitative inquiry also has been incorporated into most sociological and anthropological doctoral curriculums *but rarely in tourism*. This training limitation in some ways explains the reliance on the positivist paradigm and the use of quantitative techniques as a precursor to survey research"
>
> (p. 181, emphasis added).

Unlike most "doctoral curriculums in tourism", this dissertation takes, as mentioned in section 1.3, its point of departure in what is often defined as "the interpretative paradigm"[16] and in a qualitative methodology for research and knowledge generation. One could argue that the interpretative paradigm originally arose as a reaction against the positivistic or functionalistic paradigm (see e.g. Burrell and Morgan 1979; Morgan and Smirchich 1980). Adherents of the interpretative paradigm believed that it was neither possible nor relevant to treat humans and the social world as "objects" which could be approached with methodologies and methods from the positivistic paradigm and the natural sciences, and that the social world must be explored using suitable theories and methods. The interpretative paradigm is therefore based on an ontology in which the world is experienced as

[16] The author would however claim that "interpretative" might be a somewhat misleading term as will become clearer as this section proceeds.

relativistic, and in which people are seen in a far more creative role than within positivism. Fossland and Grimen (2001) argue that the view one has of the world and people is important because it becomes of decisive relevance to the way one believes one can and should acquire knowledge about this world. Epistemologically an interpretative approach thus also involves a view of knowledge which is characterized by distancing oneself from seeking out universal laws or underlying regulations of the social world. Knowledge depends on experiences and insight of a uniquely personal nature. This also implies that proponents of the interpretative paradigm will in the main defend ideographical and qualitative methods which can capture the unique and specific in human acts (see Nordbø 1998; Burrell and Morgan 1979; Morgan and Smirchich 1980). According to Denzin and Lincon (1994), a qualitative research approach will thus be:

> ”multi-method in focus, involving an interpretive, naturalistic approach to its subject matter. This means that qualitative researchers study things in their natural setting, attempting to make sense of, or interpret phenomena in terms of the meanings people bring to them. Qualitative research involves the studied use and collection of a variety of empirical materials - case study, personal experience, introspective, life history, interview, observational, historical, interactional, and visual texts - that describe routine and problematic moments and meanings in individuals' life”
>
> (p. 2)

As argued in section 1.3, the point of departure for this dissertation was a basic desire to gain a deeper understanding of the role that small and micro-sized tourism businesses might play as catalysts for rural development. Traditionally, analyses dealing with the relationship between tourism and change or development in rural areas have been framed within a conceptual scheme of tourism impacting (positively or negatively) on local cultures and destinations (see e.g. Crang 2004, Pearce and Butler 1993). Traditionally, impact research has centred on the concept of the local community and the residents’ perceptions of impacts (see e.g. Mathieson and Wall 1982, Pearce and Butler 1993, Murphy 1985). However, in relation to the ontological and epistemological assumptions of the impact research and its view of human beings, Crang (2004) argues that much of the impact research conducted tends to have rather preconceived attitudes to the impacts of tourism on local communities, for example as most clearly expressed in Nash’s and Lévi-Strauss’

description of tourism as "the child of imperialism" (cited in Morgan 2004: 177).[17] The local community is seen as fighting against a global industry in which changes are produced by the intrusion of a superior system (economical, social, cultural) into a weaker, recipient milieu (see e.g. Britton 1982 or Dahles 1999). However, in the opinion of the author this assumption is problematic in many respects, and Crang (2004) argues that it runs the risk of "portraying the 'hosts' as a bounded, static, undivided, and happy culture prior to tourism" (p. 74). Furthermore, the view reveals an approach to the understanding of "community" and "culture" as empirically objective and truly existing phenomena that can be observed, measured and predicted, and in which human beings are determined by the culture or society's system of values and norms, implying that their behaviour can be described, explained, predicted, categorized and generalized, for example through quantitative empirical analyses (see e.g. Hastrup 1997, Svane 2004). Such a view, which presents the hosts as mere victims of a development they cannot influence, would indicate little faith in the local inhabitants' capabilities to incorporate tourism constructively into their everyday lives and activities. And in a way we could argue that this view is surprising given the fact that the impact approach is normally considered to be the "local inhabitants' approach", and where the opinions and voices of local people (the hosts), for example in relation to their perceptions of a desired tourism development, are the core focus. On the other hand we could however argue, that the view is probably no more than a mere reflection of the underlying assumptions of the positivistically and quantitatively oriented research approaches which predominate in tourism research in general, as identified in the section above. In this respect Pearce and Butler (1993) argue that much of the research within tourism impact studies and tourism community research has been dominated by "a view of humans as systematic information processors" (p. 32, 34).

This dissertation would maintain a view of the relationship between society and human beings which involves the influences and processes of change going both ways. Society, with its institutions, norms, rules and cultures, influences and limits the actions of individuals within it, while the individual or collective actions of individuals also influence and change society. The types of limitations, be they real, physical or perceived, differ from society to society, as will become clear in relation to the two case areas studied in this dissertation. However, what does not change is the fact that individuals of every society or culture are neither completely determined nor completely free. Thus, in the view of this dissertation, tourism is seen as a process of co-

[17] A discussion of the relationship between tourism and (post)-colonialism is found in d´Hauteserre (2004).

construction between different actors, who might not have equal influence over the process, and the construction might not occur harmoniously, but as Crang (ibid.) highlights, "it is important not to start by denying locals or tourists any agency in the process, since that leads not only to a negative view of tourism, but to a pessimism about the possibilities for people to shape it" (p. 74). Or, as Shaw (2004b) puts it, "host communities are not merely passive victims in the face of tourism developments; rather, they may be actively engaged in, and help to shape, them" (pp. 165-166).

2.3.1 Phenomenological description and the claim of objectivity

Phenomenology is one of the main schools of thought within the interpretative paradigm, and is often described as an ontological and epistemological point of departure for qualitative studies (Helenius 1990). Although the philosopher Edmund Husserl (1859-1938) is normally accredited as the father of phenomenology, according to Moran (1999: 1) it is also possible to trace important phenomenological thoughts and ideas in the works of Immanuel Kant, Georg Wilhelm Friedrich Hegel and Ernst Mach. However, phenomenology as it appears today is more a general term for a host of theoretical contributions and discussions from a number of research disciplines, rather than a single scientific grouping.[18] Østerberg (1982: 43) defines phenomenology as a school of thought wishing to replace disseminated knowledge with an immediate knowledge of what is recognizable or comes to view.[19] Phenomenology therefore endorses an epistimology and method which are *purely descriptive* and which present how we immediately experience and perceive the world. Spiegelberg (1960, cited in Kvale 1997: 62) has sketched a phenomenological method which encompasses description, the exploration of the nature of phenomena and phenomenological reduction.[20] According to Merleau-Ponty (1962), the phenomenological method is about describing the given as precisely and completely as possible, and the description must be free of explanations or analyses added by the researcher. As Kvale (ibid.) points out, "Phenomenology is an attempt at a direct description of experience without any consideration of the origin or cause of a given experience. The objectivity is achieved in phenomenological philosophy through intentional acts of

[18] According to Moran (1999), Martin Heidegger had pointed this out, already in 1927, in his lecture course *Basic Problems of Phenomenology*, in saying that "there is no such thing as *the one* phenomenology". (p. 3).

[19] Here we can see a clear reference to Husserl and his notion of intentionality.

[20] Phenomenological reduction requires the suspension of the positing of the existence or non-existence of the content of a given experience (Kvale 1997: 62): it is bracketed. Here we can see a clear reference to Husserl's thinking and especially to his notion of epoché (see e.g. Moran 1999).

consciousness and is an expression of faithfulness to the phenomena explored" [21] (p. 62).

As illuatsrated in section 1.3, the main epistemological aim of this dissertation is to obtain a more profound and complete ***understanding*** of the proposed research theme and questions.[22] Phenomenology contends that understanding a phenomenon, as described above, is achieved through an unbiased description of the immediate experience of the phenomenon. Describing and not explaining or analyzing a phenomenon is thus central to phenomenologists. However, although the author agrees with the importance of *striving towards* an accurate description of a given studied phenomenon, she refutes the notion that an "unbiased" description in terms of research is either relevant or possible. Andersen (1998) points out that an understanding purpose in terms of knowledge and knowledge generation is closely connected to the socio-psychological terms of "intention" and "meaning", and implies moving beyond the immediate manifestations of a given phenomenon to search for a deeper and more complete understanding. The immediate description as argued by phenomenology thus becomes a necessary, but inadequate tool to achieve the understanding that the researcher seeks. In addition, the author would claim that research will always involve some form of data-processing by the researcher, and as will be elaborated on in the following sections in relation to the discussions of "double" and "triple" hermeneutics, an interpretative component is thus unavoidable.

Phenomenology's claim of objectivity is based on a desire to be faithful to the phenomena explored, and is tightly linked to the notion that a low level of researcher-involvement has been regarded as an important prerequisite to gain scientific knowledge, an ideal stemming from the influence of the positivistic paradigm, as discussed above. Throughout the history of qualitative research, a number of attempts have thus been made to transfer this inherent ideal to the humanities and social sciences. In practice, objectivity was supposed to be gained by "bracketing" one's own opinions, attitudes or biases vis-à-vis the topic (pursuant to inspiration from a number of theorists, including Husserl). In later phenomenological theories and discussions, the demand for a low level of researcher involvement has been adjusted and made more precise. Giorgio (1992) for example points out that, phenomenologically, subjectivity neither could nor shouldbe eliminated, but that to avoid research

[21] "Fænomenologien er et forsøg på en direkte oplevelsesbeskrivelse uden nogen overvejelser om oprindelsen eller årsagen til en given oplevelse. Objektivitet opnås i fænomenologisk filosofi gennem intentionelle bevidsthedsakter og er udtryk for troskab over for de undersøgte fænomener."

[22] Andersen (1998) gives an overview of different epistemological aims in terms of knowledge generation within different methodological traditions.

results being contaminated by the researcher's biases and ambitions, the phenomenologically oriented researcher thus utilizes the method of phenomenological reduction. According to Kvale (ibid.), phenomenological reduction involves the researcher training himself or herself to be systematically self-critical, and become aware of his or her "prior knowledge" and cultural conventions, and of the way in which these might influence the research.[23]

But even though we could argue that the phenomenological tradition has thus become less strict in terms of the demand for low researcher involvement, we can nevertheless see that it does not distance itself from the possibility of avoiding any "contamination of the research results", and this is where the authors basic epistemological understanding clearly distinguishes itself from that of phenomenology: The author believe that avoiding such "contamination" is not just impossible but also irrelevant, as will be further discussed in section 2.3.3. Despite the suggested criticism, an important "lesson" that we can draw from phenomenology is that the aim of scientific understanding is not just to understand "the other" but also to understand oneself both as a person and as a researcher and how this might influence the conducted research.

2.3.2 Interpretation, meaning and the hermeneutic circle

Hermeneutics is the science of interpreting the meaning in texts (Kvale 1997: 56) and was thus originally more a method than a methodology or a scientific theory. The term stems from the Greek word *hermeneuein* which has three meanings: 1) to express or pronounce; 2) to explain; and, 3) to translate or interpret (e.g. Collin and Køppe 1995: 111). Naturally, the term is associated with the Greek god Hermes who was not just the messenger of the gods, but also he who expressed, explained or interpreted the message. Originally hermeneutics was primarily a method for interpreting biblical, and later, literary and legal texts, but within textual analysis hermeneutics has developed to encompass the authors of the texts and their spiritual and psychological background (Collin and Køppe 1995: 112); the idea of the "text" itself has been enlarged to include also discourse and action (Kvale 1997: 56). Hermeneuticians have always emphasized that the humanities and social sciences work with *meaningful* data, and thus with a object of research which is different in its nature from the natural scientific data, but that they as *sciences* are just as valuable as the natural sciences. Hermeneutics, as with phenomenology, has thus a dualistic view of science and refutes the idea that society, people and human action can be studied and treated in the same

[23] Cultural conventions may also be termed "cultural baggage" (Nordbø 1998).

way as natural scientific ”objects”. Nevertheless, there is no uniform argumentation from the field; rather, hermeneutics has been launched and defended with very different justifications, and the hermeneutic tradition, like phenomenology, constitutes no uniform grouping in the scientific-philosophical landscape (Johannsen 1985: 151). The definition of the term hermeneutics depends on which period of its history we are working with – and as suggested above – within which theoretical direction one has one's stance. We can identify hermeneutics understood as an *interpretative method* in the Fathers of the Church, in Luther and theoretically especially in Friedrich Schleiermacher (1768-1834) and his pupil Wilhelm Dilthey (1833-1911). However, it is only with the philosophical hermeneutics in the twentieth century that hermeneutics becomes *ontology* (Moran 1999).

Historically, hermeneutics undergoes a transition from an emphasis on *explaining* to an emphasis on *understanding*. The host of theories about interpretation, especially of religious and literary works, which we find in Antiquity and the Middle Ages was never called hermeneutics, and it is usually said that hermeneutics as a theory of understanding arose with Protestantism. The history of hermeneutics is thus a development from concerning only texts, to concerning text and epoch, and to being about understanding and meaning and their conditions (Kvale 1997, Collin and Køppe 1995, Moran 1999). One central notion within hermeneutics is thus *meaning*. The human being is perceived as being an actively acting individual, whose doings/activities are directed towards something (intention). The product of this human activity is perceived by hermenueticians as meaningful for the very reason that the activity has its beginning in the intentional human (Collin and Køppe 1995: 112). Here we can thus see a clear reference to phenomenology and Husserl's notion of intentionality. Today we may say that hermeneutics is: ”The science of the way in which texts and other meaningful units are understood”[24] (Den Store Danske Encyklopædi, bind 8: 404).

A central point about hermeneutics as a theory of understanding is thus the argument that all understanding is conditioned by the context or situation within which something is understood, and there is a focus on the notion that understanding a phenomenon involves ***interpretation*** and ***analysis***. Here we can see a clear break with the phenomenological epistemology and method. While phenomenology as pointed out above emphasizes describing a phenomenon without interpretation or analysis and without any reference to or consideration of the phenomenon's origin or cause, hermeneutics is concerned with ”getting behind” the phenomenon and revealing its

[24] ”Læren om, hvordan tekster og andre meningsfulde enheder forstås”

meaning through interpretation; origin and cause are often central elements in this regard. The father of the fusionists, Martin Heidegger (1889-1976), for example, was, unlike Husserl, concerned with getting behind immediate consciousness, always hunting for the "thought behind the thoughts" (Moran 1999: 245-7). Schleiermacher and Dilthey were two hermeneuticians who were concerned with arguing that the problematization of interpretation is connected to the conditions for understanding *qua* understanding. One of Dilthey's arguments was that while data from natural science can more or less directly be observed or established, data from the humanities and social sciences only become accessible *qua* data in the wake of their being *understood* as data (Johannsen 1985: 153). As mentioned, Schleiermacher and Dilthey were also two of the fusionists' main inspirators.

The Canadian philosopher and hermeneutician Charles Taylor (1931-) (as well as Hans Georg Gadamer (1900-2002) and Paul Ricoeur (1913-2005)) is considered to be one of the most central, new hermeneuticians (Gilje and Grimen 1993). Taylor (1985) has some clear ideas about how one should proceed to explore human phenomena in which the actors' perceptions and experiences of and thoughts about and surrounding a phenomenon are central, as is the case in this thesis. Taylor takes the point of departure for his arguments in a critique of what he labels two epistemological theses which he thinks have become valid within large sections of the social sciences since World War II. The first thesis is what Taylor calls "the verification principle", which demands that scientific knowledge be based on data which are intersubjectively verifiable and unambiguous. Taylor calls this requirement raw data (brute data), i.e. data which are immediately accessible to any observer and which can be interpreted in just one way. The second thesis Taylor clashes with is the claim that only universal laws of understanding, or nomothetic knowledge, are *real* knowledge. The problem with these theses is, according to Taylor (1985b: 82), that the constitutive role of everyday terms is overlooked and that the research thus becomes of little relevance when trying to understand real social problems and when trying to acquire interesting knowledge about human phenomena. In Taylor's critique, we can thus see that there is a clear parallel with the critique that has been made earlier both with reference to the epistemology of the quantitative methodology and the positivitic paradigm, as argued in section 2.2, as well as the epistemological stance of the phenomenological tradition as discussed in the preceding section; we may also thus observe a close correspondence between Giorgio's (1992) critique of phenomenology's claim of "objectivity" and Taylor's "verification principle".

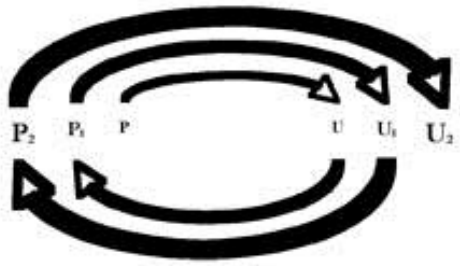
Concerning method, Taylor (ibid.) argues that studying human activity involves the following: first, that one has a **text** which in some way or other is ”unclear” and which the interpretation tries to clarify. What can and should be understood as a text has, as argued, widened considerably within hermeneutical research and to Taylor, in line with the other more recent hermeneuticians, the term “text” includes what he calls text analogues, so that even the spoken word and actions which are made into texts can be the object of hermeneutical interpretation. In this thesis, the principal text is the narratives and stories which are told by the owner-managers and others through the interviews conducted for the dissertation, but other secondary data and sources (i.e. any written text such as articles, brochures, but also actions observed, etc.) are also perceived as texts (see section 2.5 and onwards for a more detailed presentation). Second, Taylor points out, in line with the rest of the hermeneutical tradition as outlined above, that every text has a ***meaning***. Interesting about Taylor in this regard is however that he argues for a division between expression and meaning. A meaning can be expressed in a number of ways, and it is thus the task of the interpretation and researcher to express the underlying meaning more clearly: ”A successful interpretation is one which makes clear the meaning originally presented in a confused, fragmentary, cloudy form” (Taylor 1985b: 17) (in section 2.6.2 it will be explained how this is dealt with in this dissertation). Third, and in relation to the above, Taylor points out that central to meaning is that it is always a meaning for a subject. A subject or subjects are always behind a statement or expression, but meaning is not subjective in the sense that it is the individual’s property alone. In the same way that language is intersubjective, so too is meaning.[25] In this regard Taylor argues that human self-understanding or self-interpretation changes with different historical epochs and also different cultures (time and place). And as such the “text”, we could thus argue, becomes ”a cultural, meaning-bearing product with communicative intent”[26] (Svennevig et al. 1999: 11). In accordance with other newer hermeneuticians, Taylor expands the concept of “text” to include, for instance, not only the author but also epoch, i.e. the social, cultural and historical context of which the text forms a part. In this regard, it is obvious that Taylor has been greatly inspired by Heidegger (ibid.), who argued that understanding is contextually and culturally dependent. In this dissertation this point is central as gathering the empirical data has been conducted in geographical settings which differ highly in terms of historical, cultural, societal and economic aspects. As will become evident as we proceed, and especially with reference to part three and four of the dissertation, these conditions have come to

25 Taylor seems here to have been inspired by phenomenologists such as Alfred Schütz (1899-1959) and his rich discussion of the ”intersubjectivity” concept (see chapter 6).

26 ”et kulturelt meningsbærende produkt med kommunikativ intensjon”

have a major say for the final understanding of the proposed research questions. The prerequisite for being able to understand past contexts lies in the influence of past history; the historical situations, acts and texts percolate history and will therefore, directly or indirectly, consciously or unconsciously, be part of later generations' life-worlds. We would thus contend in line with Gadamer that the human being has a historically influenced consciousness and that we are located in and shaped by the particular history and culture in which we take part. In chapter 10-11 we will thus for instance see how bringing in a historical and cultural perspective with reference to one of the cases provides a much deeper and more complete understanding of the proposed research theme.

Thus, to understand a phenomenon we must in relation to hermeneutics – as with a puzzle – see the place of the piece in light of the picture of which it is a part, and in relation to other pieces in the puzzle which, when seen together, make up the whole. Taylor (1985b) sustains that a text must be understood in light of the whole of which it is a part, where understanding is achieved through an interpretative exchange between the different parts and the whole. It is this process which is called the hermeneutic circle or method. The interpretation of meaning is characterized by a circle or a spiral, which is considered to be the central figure of thought (Radnitzky, 1968: 23). The circle or spiral is a general model of the development of knowledge through an *interpretative and dialectic* procedure illustrated in the following figure[27]:



P= pre-understanding;
U= understanding;
P_1= advanced pre-understanding;
U_1= advanced understanding …

The model illustrates the hermeneutical research process and indicates that the researcher starts out at a given point in time with limited knowledge of the research theme and question(s) and then moves around in bigger and bigger loops or circles as the knowledge increases, or, in the words of Radnitzky (1968), "The anticipation of the global meaning of a text (the signification of an action,

[27] From Bemidji State University, http://www.bemidjistate.edu/academics/publications/social_work_journal/issue09/articles/article9images/image2.jpg, last accessed 2. February 2007.

the horizon of a form of life, etc.) becomes articulated through a process in which the meaning of the parts is determined by the whole and also determines the global meaning of the text, etc., as a whole" (p. 23). In opposition to phenomenology which, as argued, attempts to obtain presuppositionless descriptions, the hermeneutic tradition emphasizes preunderstanding as necessary for interpretations. In the hermeneutic tradition, the researcher often starts with a vague and intuitive understanding of the text (or the object of study) as a whole, and through interpretations of parts of the text, which are continuously related to the whole, the understanding becomes deeper, and during the process the original understanding of the meaning of the totality might change. In the hermeneutic tradition, this circularity is not considered a 'vicious' process, rather it is perceived as enriching and fruitful (Radnitzky 1968, Kvale 1997). The interpretative process is basically endless, but it is natural to cease interpreting after one has acquired a coherent whole.

2.3.3 Double and triple hermeneutics

Another important part of the hermeneutic interpretation, Radnitzky (ibid.) argues, is 'the autonomy of the object', which means that the object studied must be understood from within itself (p. 26). However, in line with Gadamer, Ricour and Taylor the author opposes the *infallibility thesis* within hermeneutics (Fossland and Grimen 2001), and distances, as argued, herself from the "truth-seeking" that has often characterized the hermeneutical research tradition, and which stems in part from Dilthey's requirement that the social sciences must live up to the same demands for truth as the natural sciences. Proponents of the infallibility thesis would contend that the subjects possess the infallible, most adequate interpretations of themselves, and that a scientific interpretation must coincide with this interpretation. According to Taylor (1985b), interpretation (articulation) must *take care of* the phenomenon which is to be interpreted so that a clear connection between the descriptions of the researcher and those of the subject(s)[28] is apparent. By this, a double interpretative process emerges in Taylor's hermeneutics, since both the self-interpretation of the subject and the interpretation of the researcher are thus part of the interpretative process.

[28] Taylor often uses the term "agent".

Taylor (ibid.) argues:

> ”The text of our interpretation is not the heterogenous from what is interpreted, for what is interpreted is itself an interpretation, a self interpretation embedded in a stream of action”
>
> (p. 26).

Taylor’s thinking reminds us here of what Anthony Giddens calls double hermeneutics (Gilje and Grimen 1993).[29] The author would however argue that within qualitative and interpretative methodologies one may speak not just of double hermeneutics, but triple. This is because the researcher does not just interpret the actor’s interpretation of his or her life-world and reality; in addition the researcher has already interpreted his or her *own* life-world and reality which he or she thus brings to the encounter. This was a point with which Heidegger was concerned; he argued that all questions contain certain pre-assumptions which will both direct a study and also to a certain extent predetermine what can be discovered. Thus the answers and conclusions that will eventually be proposed in this dissertation in terms of the research questions laid out in chapter 1, and the inherent understanding of the research theme, will always be coloured by the way that the researcher reads, understands and interprets texts (situations, discourses, dialogues, articles, etc.), which again will be coloured by his/her prior knowledge and experience both as a researcher and as an individual. One will always, as Heidegger pointed out, see and understand a phenomenon through the ”spectacles” which one wears, and thus no such thing as an unbiased description exists. The author would contend as a continuation of the above that during the process of understanding ”the other” and the associated historical and cultural context, a fusion occurs between this text or content, the researcher and his/her own life-world.

Understanding can thus, with reference to Gadamer, be seen as a form of a fusion of horizons. Interpretative social science requires that we master the informants’ self-descriptions, but it does not requires us to couch our explanations in the same language; neither does it imply the researcher leaving his/her own horizon or ”prior knowledge” behind and entering into those of the informant. What the author want to achieve is to challenge, by offering optional or supplemental views, the informants’ self-descriptions, while exercising a self-conscious cautiousness related to the fact that his/her explanation(s) will never be absolute. We could thus argue that within interpretative

[29] Helenius (1990) also speaks of single as opposed to double hermeneutics.

methodologies both self-understanding and the understanding of "the other" are important components, but that one will never attain an "objective" or "unbiased" interpretation. Therefore, in this dissertation, neither the "truth" nor the "true" understanding are sought; rather the researcher enters into a dialogue with the text(s) in a process which, in accordance with the hermeneutic circle, lasts until the researcher feels that a coherent meaning and understanding have been achieved which can add new knowledge, and which of course in line with Taylor's argument above, must be true to the descriptions of those investigated/interviewed. At best, one may hope that one's research will eventually make the sayings and doings of the investigated agents clearer, both to themselves and to others, than they were at the beginning of the research.

Related to the above is also the fact that instead of seeing the researcher's person as a possible source of error, as is the case with quantitative methodologies and phenomenology, the author finds it more relevant to see the researcher as an important methodological tool. Kvale (1997) compares the researcher's work with that of the artist. As far as art is concerned, a prerequisite is that the artist masters basic techniques but that a work of art is not created just by following rules methodically. Ultimately, it is the artist's or the researcher's talent which is decisive. The ideal is a self-aware and reflected researcher who recognizes his or her own involvement in the research process and the significance this has for the product of the research (Denzin and Lincoln 1994, Bourdieu and Waqcuant 1992). According to Bourdieu and Waqcuant (ibid.) the ideal researcher ("The Bricoleur"):

> "understands that research is an interactive process shaped by his or her personal history, biography, gender, social class, race and ethnicity, and those of the people in the setting. The bricoleur knows that science is power, for all research findings have political implications. There is no value-free science"
>
> (p. 3).

Bourdieu and Waqcuant think the researcher must strive for a radical reflexivity which must also apply to the research perspective. This involves among other factors breaking with predominant preconceptions and one's own knowledge of the field that one is studying and in section 2.6.2, we will return to how such aspects have been dealt with in this dissertation. Authors like Bourdieu and Waqcuant (1992) and Kvale (1997) argue that it is important to make visible what is going on "backstage" in the research process and be open in terms of the decisions which underlie the final

research product. This is the crucial point in the next sections which strive to clarify the dissertation's research strategy and design.

2.4 Research approach

Flick et al. (2004: 65) argue that a common starting point for the different individual theoretical traditions within qualitative research is the day-to-day actions of members of society in different situations and under various cultural conditions. This was also the case with this dissertation through the use of multiple case studies. Multiple case studies are characterized by their embracing more than a single case study conducted at different places and under different conditions (Kruuse 1996). The case study is, as formerly mentioned, an empirical exploration which sheds light on a contemporary phenomenon within the frameworks of real life in which the border between the phenomenon and the context of which it is a part is not obvious and in which it is possible to use several sources of information to illuminate the phenomenon (Yin 1989; Maløe 1993). Case-study methods thus involve an in-depth, longitudinal examination of a single or a few instances or events, and provide a systematic way of looking at phenomena, through the collection of data, the analysis of information, and the reporting of results. The case study can also be defined as a research strategy, an empirical inquiry that investigates a phenomenon within its real-life context. The case-study method is very often linked to the qualitative methodology and research, but this is somewhat confusing since case-study research actually can be based on any mix of quantitative and qualitative techniques and evidence.

Within each of the two selected case areas in this study (section 1.4) 11-12 small-scale tourism businesses and their owner-managers were chosen for in-depth interviews and studies in relation to the proposed research questions. Since the focus of the research, as argued in the former sections, is the social world as it is experienced by the subject a narrative approach was considered useful since narratives offer rich data material on the basis of which it is possible to analyze the construction of meaning. As humans we do not only live our life through events as they immediate present themselves, but through the meaning and stories we construct from these events in order to try to make sense out of our reality. The narrative approach thus focuses on the human tendency to give life form and shape through stories or narratives, and the qualitative research interview is appropriate as a dialogical framework with which to access, describe and interpret people's daily life-worlds against the background of the stories they tell. For as Kvale (1997: 15) points out, if you

want to know how people understand their life-worlds, everyday lives and what gives meaning to them, why not talk to them?

Stories and narratives are perceived as highly related phenomena, although many researchers would argue that they are hard to compare, as narratives are organized, chronological syntheses with clear plots. Stories on the other hand are not plotted and are unstructured in terms of time, scene, the actors and events (see for example Cobley 2001, Boje 2001). Narratives can thus be something more than stories (Boje 2001: 1) but stories have the potential to grow into narratives. Within the framework of this dissertation, both narratives and stories are perceived as "the representation of an event (action) or a series of events (actions)" (Abbot 2002: 12), and with reference to the aim of the research no further distinction will be made. Thus, by analyzing the stories or narratives that the small tourism business owner-managers tell about their experiences of entering the tourism industry and operating a small-scale rural tourism businesses, and by comparing these stories with existing research and theories of relevance, we aim at obtaining a more complete understanding of the role that these firms might play as catalysts for rural development. Even though we may of course speculate whether the stories that the owner-managers tell us are authentic or just fiction, it is these stories that open the window onto understanding the reality of the owner-managers, and they are the platform of meaning which guides their actions (Weick 1995).

Often very interesting narratives or stories are told of processes of transformation (McAdams et al. 2001), and the story told is often complicated and unrehearsed. This is certainly the case in this dissertation which shows that operating a small-scale rural tourism business involves very little rehearsed activity and that unrelated, disordered and somewhat chaotic stories are more widespread than ordered and well-organized ones. But why could it be difficult to tell a coherent story? Part of the answer may be found in the fact that most of the owner-managers are "in the middle" of living their experience, which makes it difficult to formulate the experience lineally and coherently. This highlights the role of the researcher as a "maker of meaning", as argued in the section above. As the research mainly contains stories narrated by individuals, who is in the middle of living their experiences, the research it is based on pictures in emergence. The less organized meaning there is to be found within an empirical field, the more emphasis is placed on the role of the researcher as an individual who collects fragments of stories and creates a meaningful whole. The task of the researcher is to make meaning out of the stories narrated by practitioners, and to organize and "glue together" the different part of the stories and put them into a context which transforms the

fragments into readable and meaningful texts: "The researchers' role is to interpret these texts (although it requires creation of yet another text). They build worlds; we inspect the construction (although it requires creation of yet another story)" (Czarnaiwska 1999: 62).

2.5 Research design

Both the epistemological stance of the dissertation, as argued in earlier sections, and the fact that the existing research into the research theme is, as argued in section 1.3, limited, implied that gathering primary data was considered a necessity for the quality and outcome of the dissertation. In this respect Andersen (1998) argues that a research design is "an indication of the way in which we explore the phenomenon which is the object of the exploration. More precisely, the design of the exploration consists of the combination of the procedures we use when collecting data"[30] (p. 153). In the following we will thus look more in detail at the research design used in order to gather the primary data of the dissertation.

2.5.1 Observation

Within the social sciences, observation is most often used in connection with studying phenomena in their usual conditions (Andersen 1998: 195). In accordance with this thesis' research theme and research questions, participatory observation was considered to be useful as it would allow the researcher to become acquainted with and form a fuller impression of tourism development within the selected case areas. Furthermore, in the Chilean case, which was least familiar to the researcher, specific observations and visits were paid to the majority of the different small-scale tourism businesses and corresponding facilities in the area. The aim of these visits was, as mentioned to obtain a more complete picture of the tourism industry in the area (including the local tourist organization, businesses, tourist office, etc.), and to ensure that those businesses which would eventually be chosen for in-depth studies would be a representative sample. Furthermore, the observation also served as a basis for assessing the design and quality of the tourism facilities and corresponding outdoor areas. In terms of the local tourism organization, observations were conducted by attending two meetings at which notes were taken down. The observations conducted were all direct as the observer was visible to the persons observed, but closed in that the observer would not reveal her aim (Sergionsen 1989).

[30] "en betegnelse på den måde, hvorpå vi undersøger det fænomen, der er genstand for undersøgelsen. Mere nøjagtigt udgør undersøgelsesdesignet den kombination af fremgangsmåder, vi benytter ved indsamling af data"

Participatory observation is perceived as a good method for capturing the socio-cultural contexts in which human existence unfolds. Participatory observation is thus also suited to the study of situations in which there may be significant differences between the views ”insiders” have compared to ”outsiders” (Andersen 1998: 197-198). A final aim of the participatory observation conducted was thus also that the observations should function as a form of ”control mechanism” in relation to assessing the anomaly between what people say they do (in the stories which appear from the interviews) and their actual actions (via observation). On the whole, the observations were interesting additions to the rest of the data collected and helped bring about a greater understanding of a number of the topics revealed in the interviews.

2.5.2 The qualitative research interview

The main empirical data in this dissertation have been collected through qualitative research interviews. According to Kvale (1997), the qualitative research interview is ”a place of production for knowledge. An interview is literally an ‘*inter view*’, an exchange of views between two people who talk together about a theme of shared interest”[31] (p. 15). The aim of the conducted interviews was, with reference to the limited existing research into the subject to collect primary data which could help shed light on the proposed research questions. After the first interviews had been initiated, it soon emerged that there would often be more than one person participating in each interview. Although this initially had not been planned, several of the interviews came to resemble group interviews. Normally approx. 8-12 people are present at a planned focus-group interview (Rieper 1993: 9, Andersen 1998: 207), but in this study the number of participants varies in the unplanned group interviews, from 2 to 4 people at the most. What characterizes a (focus) group interview compared to a more personal interview is that the interviewer often plays a less central role as chair and in terms of which themes are broached – the people interviewed often correct/explain and inspire each other and the interaction in the group often stimulates honest, nuanced statements (Rieper 1993, Andersen 1998). The aim of planned focus-group interviews is often to gain an insight into people’s own perceptions/assessments via statements which are not subject to the researcher’s pre-structuring of the topic (Rieper 1993). This requires open questions with a low degree of structuring which in fact corresponds very well with the interview guide

[31] “et produksjonssted for viten. Et interview er i bogstavelig form et ”*inter view*”, en udveklsing af synspunkter mellem to personer, der taler sammen om et tema af fælles interesse.”

which, as we will return to in the next section, was drafted for the personal interviews in the dissertation.

2.5.2.1 Interview guide

As an approach to the personal interview, a loosely-structured form was chosen which is characterized by the researcher having a certain degree of practical and theoretical knowledge about the field beforehand but, nonetheless, most of all has the desire to be open to points of view and information (Andersen 1998). A loosely structured interview guide was thus worked out on the basis of the proposed research questions and existing literature and research concerning SMEs and entrepreneurship in tourism. The purpose of the interview guide was to guide the interviewer to make sure that the interviews touched upon, although not necessarily in chronological order, four main themes which had been pre-selected. These four themes were: a) the background for establishing the business and future plans for development (focus on motivation, goals and the history from idea to realization, and how plans may have changed and why); b) operational characteristics (the family aspect, ownership, management, labour, etc.); c) markets and products (type of products, clients, marketing, turnover, entrepreneurship, etc.); d) positive and negative experiences (personal, financial, external business environment (cooperation, networks, support, public, private institutions, etc.), social and cultural). Within each theme a number of guiding questions had been worded which were supposed to provide a comprehensive insight into each theme. The interview guide was constructed and the interviews conducted so that the interview could progress from the easy to the more demanding, and from general to more specific considerations. Theory (e.g Andersen 1998, Kvale 1997) and the researcher's own experience indicate that to create the right atmosphere to access the life-world (Kvale 1997) of the interviewee[32], it is important to start with questions that are easily understood and which do not place the interviewee in a situation in which he/she feels inferior or "questioned". It is the interviewer's job to create an atmosphere of confidence and mutual trust, so that the interviewee feels free to "open up" andshare his/her experiences and story. It also seems important to leave more factual questions, i.e. demographic data, to the end since these demand less reflexivity from the interviewee and can be relatively easily answered even when the respondent is growing tired.

[32] In the dissertation the terms "interviewee(s)" and "respondent(s)" are used interchangeably, referring to the interviewed persons. On several occasions, the term "owner-manager(s)" is also used, thus referring to the interviewed owner-managers.

The questions in the interview guide were, as indicated, not always asked in the same order and no categories of answers had been constructed beforehand.

Thus, the actual data collection (observation and interviews) was characterized by an explorative approach (Andersen 1998). The various themes and sub-questions in the interview guide were not revealed to those being interviewed, but functioned more as an *aide memoire* for the researcher, and we could argue that the interviews took more the form of conversations than interviews in the strict sense of the concept. The interviews always started very openly by the owners being encouraged to recount the background for starting the business. This way of proceeding seemed most advantageous because, in the recounting of the individual stories, interesting topics and problems were often touched upon which the researcher had not thought of beforehand. Whenever these new topics were judged to be relevant in terms of the proposed research theme and questions, they were then included in the interview guide and elaborated on in the remaining interviews. An example of one such topic is section 8.4.2, ”Raising children in a tourism business”. Throughout the interviews it became clear that running a small tourism business as a mother to young children was perceived as highly complicated, and for one of the studied businesses this challenge was in fact the main reason for the business being wound up. Flexibility in the actual interview setting was thus regarded as an important research objective based on the consideration that if the researcher is too focused on a rigid, highly structured guide, he/she risks overlooking important topics and ends up confirm (verifying) already stated hypoteses or one’s own theoretical point of departure. Loosely structured interview settings require however that the interviewer be well trained so that he or she can ”direct” and ”draw” the interview in the right direction without ruining the flow of the story or, as mentioned, making i.e. the interviewee feel inferior (e.g. Andersen 1998: 217 ff.).

2.5.2.2 The participants

The owner-managers interviewed were, as mentioned in section 2.5.1, selected based on a run-through of small tourism businesses at the two destinations. In the case of Tinn, the local tourist office helped out with the selection, while in the Lago Budi case, the local tourist organization offered assistance. It was also emphasized that the selected businesses should reflect everything from start-ups to more established businesses. This, it was assumed, would provide the opportunity to see some of the experiences of the businesses in a time perspective. As it emerged, the time perspective was highly rewarding and even gave name to chapter 8, “The wear and tear of

small-scale rural tourism". Whenever possible, the business owners were contacted by telephone and a time was agreed for the interview at their business "office" or site. As an introduction to the interview, the owners were informed in short about the background of both the research and the researcher. However, in order to influence as little as possible the respondents' later answers, no further clarification of the research questions was given, but it was explained to the respondents on a more general basis that the research interest was to obtain their experiences of running a small tourism business in a rural area.

In addition to the business owners, as argued, a number of interviews were also conducted with other people from private and public institutions which could contribute with information that would help to form a fuller picture of the proposed research questions. In the Norwegian case the head of tourism in Tinn municipality participated, while in the Chilean case people from the regional government were involved, as well as the person responsible for tourism in Pto. Saavedra municipality, two representatives from the regional tourist office, and three representatives from local NGOs. Each interview lasted between approximately 30 minutes and 2 hours. In total 14 people were interviewed in the Norwegian case, and 18 in the Chilean one. The reason for this imbalance is, as argued elsewhere, that the researcher had less prior knowledge about the Chilean case than the Norwegian one, and that in the Norwegian case more of the information sought was available via secondary sources and documents. In addition, while collecting the secondary empirical material in both case areas, a number of conversations and discussions of a freer nature occurred which also gave valuable inputs, but these have not been included in the list of interview participants. The researcher conducted all the interviews in the Chilean case herself, and the interviews were then transcribed by an assistant. In the Norwegian case the researcher conducted approx. 50% of the interviews, and a research assistant who had been given thorough training did the other half. In the Chilean case the head of the local tourist organization participated in some of the interviews as an interpreter, as some of the older owners were not that fluent in Spanish.

2.6 Empirical data and analytical considerations

Empirical material may have the form of both primary and secondary data (Andersen 1998, Andersen 1990). In the former sections the primary data gathered in this report were described. Secondary data i.e. data already in existence, have in this study been collected in order for the researcher to acquire a more complete picture and thus understanding of the research theme and questions through reports, feasibility studies, brochures, letters, etc. which might contribute to

expanding the researcher's understanding of and shed light on preliminary conclusions and hypotheses with reference to the knowledge and assumptions which already exist within the field. The secondary data used are characterized by being *process data*, *accountancy data* and *research data* (Andersen 1998: 201). The secondary data collected are thus mainly investigations, scientific articles and reports, articles from newspapers and magazines, internal reports, minutes from meetings, statistical records, etc.

2.6.1 Dealing with the empirical data

When the respondents permitted it, the interviews were tape-recorded. Only one person objected and in this case, as with the participatory observations, notes were made which later formed the basis for written minutes. A tape-recorder was found appropriate as it was not the aim of the study to analyze body language or other non-verbal communication, and it gave the interviewer the possibility to concentrate on the topic of the interviews and their dynamics (Kvale 1997: 161). A tape-recorder is relatively discrete and practically indispensable when only one person conducts the interview. During the interviews, keywords were noted down which later formed the basis for summarized minutes.

Transcribing the interviews from oral to written form structures the conversations from the interviews into a form which is then accessible for closer analysis. Structuring the material into text makes it easier to acquire an overview of the stories told and is in itself the beginning of an analysis (Ibid.: 170). The interviews were transcribed in their full length based on a number of criteria. First, based on the desire to let the empirical data "speak for themselves" by seeking out the respondents' self-understanding around the theme of the study. This aim, it was jugded, would be difficult to fulfil with a background in the minutes which would already be interpretative texts, as argued in section 2.3.2 and 2.3.3. Second, full transcription has been chosen because it makes it possible for others to appraise the validity of the interpretations in the analysis.

Since the aim of the research has not been to analyze the interviewees' use of language but to understand the meaning in/behind the interviewees' stories and statements, creating fluency in the communication has been emphasized and correspondingly pauses, 'uhming' and hesitation have only been included when relevant to the interviewee's opinions about and attitude towards the topics examined. Pauses have been shown with (...) (three dots) when this aids a greater understanding of the meaning and the context of what is said. Three dots thus indicate a pause or

hesitation in what is said or that the sentence was broken off or hung in thin air. Sometimes this also indicates, especially in the group interviews, that the respondent or interviewer is preparing to allow another person to make a comment or take the floor. Apart from the 'uhming' and hesitation, comments that could be defined as "small-talk" and with no relevancy whatsoever to the research theme and research questions have also been omitted.

2.6.2 Analytical approach

Andersen (1998) points out that as far as generating knowledge about society, organizations or human behaviour is concerned, there are initially two principal ways to choose between. One is deduction, the way of evidence; the other is induction, the way of exploration. This thesis has to some extent taken both ways. As far as the deductive approach is concerned, this is initially present in that the first part of the analysis (chapters 4-5), based on existing theories and research from the field of small-scale rural tourism businesses, traces a number of hypotheses which are next tested in light of the primary empirical material. The applied deductive approach eventually reveals, as will be argued in section 6.1, a number of weaknesses in the existing theories and typologies within the area, and against this background we thus argue for the necessity of an alternative and more explorative and inductive approach. The inductive approach, which is very common in case studies, thus predominates in the next part of the analysis (chapters 7-11). Here the primary data, instead of the theories, form the point of departure, and are supplemented with secondary sources and theories whenever this has been judged relevant. While part two and three thus also contains elements or references to Grounded Theory (see Glaser and Strauss 1967) or what we may also call a "bottom-up" approach, part one of the analysis have a more "top-down" approach. In practice, however, it is often difficult to separate the inductive and deductive procedures, because they are often interwoven and take place consecutively and simultaneously throughout the research process (Andersen 1998: 40).

The primary empirical material has been analyzed based on what is known as the ad-hoc method involving the combination of different methods as an analytical tool. The ad-hoc method can in general be split into three analytical/interpretative levels (Kvale 1997: 210 ff, Andersen 1998: 246 ff):

- Interpretation of the self-understanding of the subject studied;

- The researcher's common-sense interpretation;
- The researcher's theoretical interpretation.

This analytical method is not reflected directly in the analysis in the dissertation, but it has been what we could label "the working method" which the researcher has followed when analyzing the data. In the first part of this working method, one thus seeks to bring out the interviewees' own attitudes and understandings of a given subject or topic. At this analytical stage, no in-depth interpretation is performed; rather one focus on the direct description and attempts to let the data "speak for themselves", i.e. to bring out the respondents' self-understanding (Kvale 1997: 210 ff). In this first stage of the proposed model, the inherence from the phenomenological tradition and its "objectivity" claim is evident. Although the researcher rejects this claim, she sustains, as argued earlier, that the researcher must strive to be true to the self-interpretations of the subjects studied. Thus in the first part of the applied working method, the different interviewees' statements have been condensed i.e. that long statements and meanings have been reduced to short, precise wordings so that only the main message in what is said has been included (Ibid.: 192 ff). This way of proceeding helps one find the most relevant themes within each question and produces a good overview of the empirical material. In the next phase of the working method, a more common-sense interpretation comes to the fore. In a common-sense interpretation, one interprets the statements more deeply and "reads partly between the lines"[33] (Kruuse 1996: 153). The final part of the working method is characterized by a theoretical interpretation which penetrates more deeply than a common-sense interpretation, in which the empirical material is compared to existing theory (-ies) (Kvale 1997: 210 ff), which might reveal relations to the research theme and questions at a more advanced level. It would be logical to sustain that the proposed analytical working method as described above clearly responds to the logic of the *hermeneutical circle* or *spiral*, as argued in section 2.3.2.

2.7 Generalization, reliability and validity

There is, as argued at the beginning of this chapter, a rooted perception within parts of the world of academia that quantitative methods are more valid and reliable, and more suited to drawing generalizing/universal conclusions than qualitative ones (Kvale 1997, Andersen 1998, Fog 1994, Kruuse 1996). The claims against qualitative methods are often along the following lines: "the

[33] "leser delvis mellom linjene"

results are unreliable, they have been brought about thanks to leading questions in the interview"; "the results are invalid, they are based exclusively on subjective interpretations", and "the interview results are not generalizable, there were too few people interviewed"[34] (Kvale 1997: 226). Qualitative studies are said to be particularly subject to the risk of researcher bias due to the personal collection and treatment of information which involves several significant elements of interpretation. In this respect the author, as argued in section 2.3.3, sustains the view that instead of seeing the researcher as a source of bias, as within the qualitative methodologies and phenomenology, she finds it more relevant to view the researcher as an important methodological tool. Nevertheless, the researcher must have a self-critical attitude and, as argued by Andersen (1998), be critical of his or her material and ways of proceeding. Fog (1994) argues that a self-critical attitude is the researcher's "quality control" of the product which emerges from the research process. Within the interpretative methodology, an important step in terms of "quality control" is thus to present the considerations which have taken place before and during the research process and to specify the underlying documentation, so that readers themselves can appraise the validity of the argumentation (Nordbø 1998). Validity in this specific context will thus depend on how relevant the comparative characteristics are found to be, which again, according for instance to Kvale (1997: 229), depends on how detailed, compact and tight the descriptions of the given subject or topic are.

2.7.1 Generalization or contextualization?

One of the questions which is often asked about and within qualitative methods is whether the results from a given study can be generalized (Fog 1994, Andersen 1998, Kvale 1997). The answers to this can be analyzed along a continuum: on one "extreme" side of the continuum we would find the positivistic sciences which would argue that the aim of social science should be to produce laws of human behaviour which can be generalized universally. On the other "extreme" of the continuum, there is a humanistic tradition that would argue that each situation is unique and that each phenomenon has its own structure and logic, and that such a thing as generalization is impossible (see e.g. Morgan and Smirchich 1980). The epistemological stance enwrapped in this dissertation, as argued in section 2.2 and 2.3, supports an understanding which replaces the search for universal knowledge and the cultivation of the individually unique, with an emphasis on the heterogeneity and contextuality of everyday life (Kvale 1997). Whenever the term generalization is

[34] "Resultaterne er ikke pålidelige, de er fremkommet ved hjælp af ledende intervjuspørgsmål"; "Resultaterne er ikke gyldige, de er udelukkende baseret på subjektive fortolkninger" og "Interviewresultaterne kan ikke generaliseres, der er for få interviewpersoner."

used in the dissertation, it is thus with reference to an *analytical generalization*, which according to Kvale is a carefully considered judgement of to what extent the results from a study can guide what occurs in another situation (Ibid.: 228). The researcher sustains that the findings from the conducted research will not only respond to the investigated cases, but that they on a more general basis may say something about the situation of small-scale tourism businesses in rural areas, their specific characteristics, their challenges and constraints and eventually their roles as catalysts for rural development.

2.7.2 Reliability

According to Kvale (1998: 231) reliability concerns the consistency of the research results. A more Nordic term for reliability is *pålitelighed* (trustworthiness) (Fog 1994: 155-156).There are a number of factors related to the interviewer which may influence the quality of the data collected (Kvale 1997, Fog 1994), i.e. research experience, theoretical and methodological knowledge and stance, personality, analytical capabilities, etc. Regarding reliability one important aspect is, as also argued in section 2.6.2, the researcher's capability to create a confidential interview atmosphere in which the respondent feels secure and taken care of, so that he or she dares reveal and communicate his or her personal thoughts and believes and not what he/she thinks is the "right" answer. Within communication research, one term used to describe such an interview situation is "professional presence". Professional presence is perceived as a combination of *interest* (the ability to listen), *distance* (the ability to have an overview) and *involvement* (the ability to involve oneself and put one's heart into it) (Kristiansen 1994). For the interviewer in this study it was thus, as argued elsewhere, important to provide a short introduction to the background for the research and to introduce the researcher to the respondents. Furthermore, it was also important to stress that the respondents could remain anonymous if that was their wish, and to explain the reason for recording the interviews and stress that recording was voluntary. Another procedure which was used to create a good atmosphere was to let the conversation develop at a natural pace so that the individual respondents got the necessary time for reflections, to expand on their views etc. The importance of the individual's contribution was, as mentioned earlier, explained, and it was emphasized that there were no right or wrong answers to the questions but that we were looking for their unique, individual experiences and opinions. The author would claim that against the background of the empirical material's personal character, it appears that the aim was accomplished, as e.g. visible in the fact that in both case areas the respondents spoke quite freely of matters which normally require a certain level of confidentiality.

Another factor concerning reliability for which qualitative interviews are often criticized is *leading questions* (Kvale 1997, Fog 1994, Kruuse 1996). Quantitative methods may also involve leading questions, but it is easier to weed them out beforehand since e.g questionnaires normally are designed in a much more structured form than i.e. an interview guide. In the qualitative interviews with their conversational or discursive character, leading questions and the like can be harder to avoid than for example in quantitative methods since the questions in the interview guide are not always asked in chronological order or expressed in exactly the same manner from interview to interview. Furthermore, within qualitiative research questions might arise spontaneously, the intonation of one's voice may change, body language may play a role, etc. Although the wording of a question may inadvertently shape the content of an answer, the fact that leading questions might also be a necessary part of many questioning procedures is according to e.g. Kvale (1997) often overlooked. Kvale thus argues that the qualitative research interview is particularly well-suited with reference to leading questions since it allows that that one in retrospect can check the reliability of the interviewees' answers and verify the interviewer's interpretations (ibid.: 157). With reference to the texts produced in this dissertation, passages in which there was doubt as to the leading nature of the question were double-checked. Finally, as mentioned earlier, one of the main aims of supplementing the interviews with observation and secondary sources has thus been to have a "control mechanism" for leading questions and other biases.

The challenges related to reliability and the *transcriptions* of the interviews are linked to the fact that the transcriptions are artificial constructions transforming an oral form of communication into a written one. Kvale (ibid.: 163) argues that each transcription from one context to another thus involves a number of assessments and decisions by the researcher. In this dissertation the interviews were transcribed in full and when the transcriber had doubts as to the understanding of a given wording or similar, this has been noted down in the actual transcription of the interview, stating the time at which it occurred in the interview (i.e. disk 1, min. 45.3), so that the researcher during the analysis has had the opportunity to go back to the original interview to check out the confusion. Since the researcher conducted most of the interviews herself (a research assistant has only helped out in cases when the researcher was familiar with the businesses from previous investigations/visits), she has had a mind's eye image of the context in which the interview has been conducted and thus also understands the individual parts and passages of the interviews with reference to their meta-context. The reliability of the transcriptions in the case of this study thus lies

more in the actual conducting of the interview and the factors affecting reliability which can arise there as argued above, rather than in the transcriptions themselves.

2.7.3 Validity

Concerning validity, Fog (1994) argues that the question one should ask here is whether we can have confidence in that what we are presenting as knowledge about a subject is also valid as such, and whether this perception can be shared with others – i.e. the peopled studied or other researchers – who are introduced to the material (p. 163). In other words, to what extent can the data elucidated be summarized so that they cover the qualities which are a part of the term? The question of validity thus concerns whether an assessment of the relationship between the statements/descriptions/the analysis and that in the world which we observe, can be described and put into terms. Are the descriptions and interpretations precise and do they furnish us with useful knowledge? According to Kvale (1997), a valid argument is reasonable, well-founded, defendable, strong and persuasive (p. 233).

This requirement for validity thus concerns that the researcher, when working with his or her empirical material, in part ensures the context and consistency of the analysis performed, and in part ensures the correspondence of the analysis to other analyses or other research results (Fog 1994: 164). Partly due to this concern to ensure validity, the working method in this study was spilt into three steps, as argued in section 2.6.2. In this way the researcher has sought to approach the empirical material from three different angles and thus ensure that the study gives as good a picture as possible of the reality it is attempting to explore. The researcher has strived to present assumptions, interpretations and conclusions on an ongoing basis in order to facilitate the reader's judgement as to whether the research is capable of describing, analyzing and putting into terms the contextual reality satisfactorily. Furthermore, whenhever possible the findings and conclutions of the dissertation have been discussed and mirroried in light of existing theories and studies within the field of research and related areas.

2.8 Summing up

In this chapter the aim was to present the methodologies, research approach and methods corresponding to the dissertation. We started with a short review of the state-of-the-art of tourism research with reference to applied methods and the corresponding paradigmatical perspective(s), and concluded that the vast majority are firmly rooted within the positivist tradition and quantitative methodologies. We have then explained that this dissertation takes a somewhat different approach by choosing a qualitative meta-theoretical and methodological orientation to the research theme and questions. We have thus presented some of the main methodological traditions within the qualitative approach. As argued, due to the limited use of qualitative approaches in tourism studies, we have placed great emphasis on a description and discussion of the way knowledge is approached and generated in qualitative research in general and in this dissertation specifically. We have also presented and argued for the applied research approach and design and described the different applied techniques. Finally, we have also presented the empirical data, analytical considerations and how the often claimed challenges of generalization, validity and reliability have been dealt with within the research.

Chapter 3: Rural Tourism in Chile and Norway: The cases of Lago Budi and Tinn

In the following chapter the focus will be on presenting the empirical cases. This is primarily a framing chapter and aims as building a frame of reference for the empirical analyses. It frames tourism policy questions and demand and product range on a more general level within the two countries before looking into the specific cases. In section 3.1 we thus first describe the tourism sector in Chile, with specific attention on the significance and scope of tourim and on tracing the orientation on tourism as a rural developmental tool in the overall national tourism plans and strategies of the country. The section thus moves on to describe the case of ADI or Lago Budi in terms of both more general historical, demographical and geographical characteristics and more specifically in terms of the history and development of the local tourism sector. Section 3.2 has been constructed in the same way as section 3.1., but the focus is here on Norway and the Norwegian case, the municipality of Tinn. Eventually, section 3.3 sums up the findings by pointing to some central similarities and differences between the two cases.

3.1 Tourism Development in Chile and the case of Lago Budi

3.1.1 The tourism sector in Chile

Chile's location on the distant southern shores of the Pacific coast of the Americas meant that Chile was quite isolated from the rest of the world for centuries before the great advance in global air-travel and communications post-World War II. However, the few foreign travellers who did make it to the country in the nineteenth and early twentieth centuries reported a warm welcome from people often eager to hear of the latest trends in leading nations. Chile has the distinction of being the longest and narrowest country in the world, and due to the vast area that the nation covers it can offer a great variety of landscapes, from arid desert in the North to fjords and glaciers in the South, and hence many opportunities for all forms of nature-based tourism. Indeed, since the middle of the 1990s Chile has developed a range of tourism products, from a primary focus on nature through to sun and beach holidays, skiing, national parks, ecotourism and various forms of adventure- or nature-based tourism, to rural tourism, agrotourism, ethnic tourism and more recently business, desert, archaeology and social tourism.[35] Nevertheless, tourism as a development strategy in Chile

[35] See for example Visit Chile, www.visitchile.org, last accessed 15. March 2006.

is still a rather new phenomenon (see e.g. Sernatur 1998: 4).

Sernatur (Servicio Nacional de Turismo, the National Tourism Bureau[36]) was established in 1975 as a body under the aegis of the Ministry of Economic Affairs, and its objective has been to investigate, plan, promote and coordinate tourism activity in Chile. Sernatur was formed on the basis of a recognition that developing tourism activities in the country was important as an contribution to the country's economic, social and cultural development, and replaced the former Board of Tourism (Dirección de Turismo) established in 1960 and the Regional Tourism Councils (Consejos Regionales de Turismo) established in 1969. Recognizing the importance of the country's different regions which are largely where the growth in Chilean tourism has been taking place, Sernatur was organized to have a national office in Santiago and regional offices elsewhere.[37] Sernatur operates basically on three levels: a) to develop and implement the National Tourism Strategy; b) to coordinate tourism development and activities with other state institutions, and; c) to take care of international marketing[38] in cooperation with the Cooperation for Tourism Promotion (CPT) which was established in 1994.

3.1.1.1 The significance and scope of tourism in Chile

Tourism was restricted under the dictatorship of Augusto Pinochet (1973-1989) but investments in tourism increased significantly in the 1980s aided by government efforts to promote it both at home and abroad through Sernatur. However, it was only with the re-establishment of democracy in 1990 that tourism really started to bloom, as illustrated in Diagram 3.1 on the following page.

As can be seen from the diagram, the number of international tourist arrivals increased significantly during the 1990s. In 2004 the majority of visitors (50.8%) came from neighbouring countries (normally about 40% of international visitors are from Argentina), the rest of America (25.8%, basically from the US), Europe (18.1%; German visitors dominate, followed by English and Spanish ones), Asia (2.2%) and other countries (3.3%) (Sernatur 2005a: 19, INE 2005b).[39]

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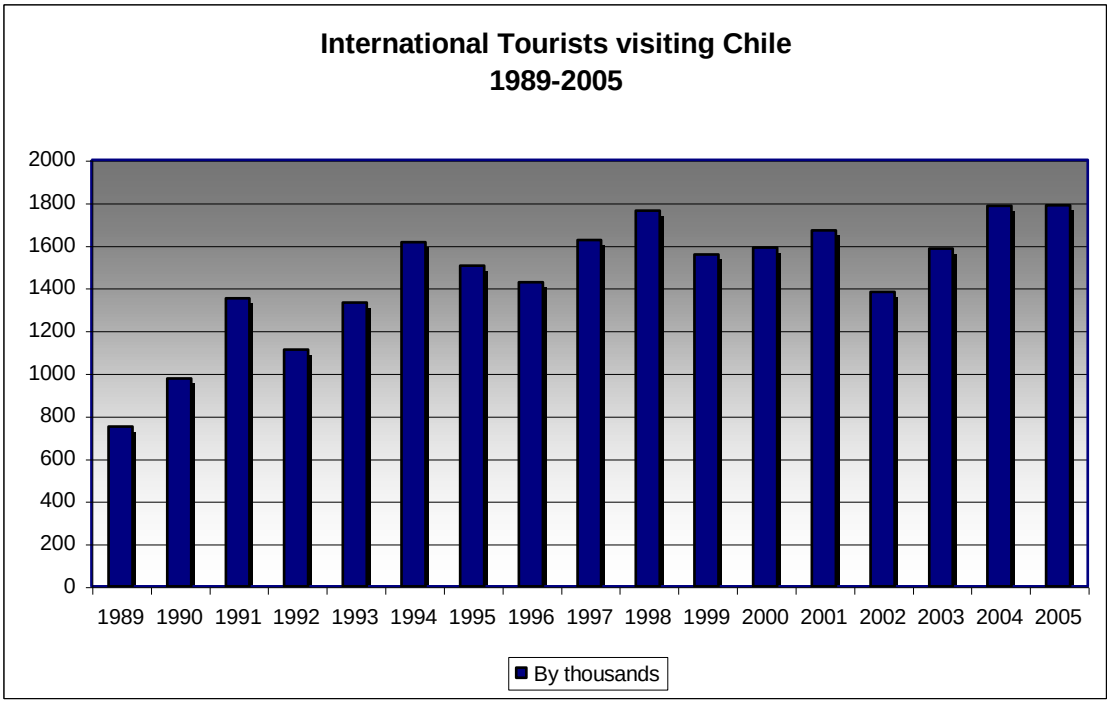
[36] See Chilean Government, http://www.chileangovernment.cl/index.php?option=com_weblinks&catid=31&Itemid=23, last accessed 12. April 2006.

[37] Sernatur, http://www.sernatur.cl/scripts/sitio/navega2.php?page=sernatur/sernatur_menu03, last accessed 23. March 2006.

[38] In their plans Sernatur also mention that the international marketing will have a national facet or effect, as a means to stimulate international arrivals.

[39] This figure also includes Chileans who live abroad and visit the country.

Diagram 3.1: International tourists visiting Chile (1989-2005)[40]



Source: Elaborated by the author on the basis of Santelices A. (2003), Sernatur (2005a, 2006a) and Consetur (2004).

Regarding international tourism, Chile experienced a general decline in tourist arrivals in the year(s) following the terrorist attack in New York in 2001 and due to the economic crisis in Argentina. The relatively low national demand for domestic tourism coupled with a high dependence on Argentinean tourists, especially in the Central-Southern part of the country where the Lago Budi case is located, make Chile extremely vulnerable towards market failure from this segment. More recently focus has thus increasingly been on promoting tourism in Chile to other countries, directed especially at the European, North-American and Asian markets as it has been recognized that these tourists tend to stay longer and spend more money during their stay than tourists or visitors from neighbouring countries (Consetur 2006).[41]

Statistically, the concept of tourism in Chile is divided into three types of tourism: a) receptive tourism, which is a term used by Sernatur to refer to foreign visitors to Chile who stay for at least 24 hours (see for example Sepúlveda 2001, Sernatur 1998: 26); b) emissive tourism, which consists of Chilean residents' touristic activities abroad (Sepúlveda 2001); c) internal tourism, which

[40] The number does not include Chileans who live abroad and visit the country (see for example Sernatur 2005b).
[41] Consetur, http://www.cnc.cl/consetur/noticias_05.asp, last accessed 22. March 2006.

consists of the displacements of both national residents and foreign residents who stay away from homes for more than 24 hours and who in this period use touristic services (Sernatur 1998: 28). The following table shows some basic indicators of the increasing significance of tourism in Chile from 1989-2004.

Table 3.1: Indicators of the significance of tourism in Chile (1989-2004)[42]

	Measurement	1989	1991	1994	1997	2001	2004
Receptive Tourism							
Non-resident tourism consumption[43]	Millions of US$	407.2	699.5	845.6	1,047.9	787.8	1,111.1
Average daily spending per tourist	US$	-	44.1	50.8	55.2	44.4	46.1
Average length of stay per tourist	Days	-	11.7	10.1	11.2	10.3	12.8
Offers and demand for overnight stays							
Total number of habitations	Thousands	-	25.8	35.1	42.4	49.9	53.8
Guest-nights[44] (foreigners)	Thousands	1,371.9	1,968.1	2,357.8	2,952.7	1,912.3	2,086.4
Guest-nights (Chileans)	Thousands	2,662,1	2,668.2	3,291.1	4,320.9	3,871.8	4,750.9

Source: Elaborated by the author on basis of Sepúlveda 2001, Sernatur (1998) and INE (2001, 2005b).

Most striking about table 3.1 is that while income generated by tourism increased by only 6% from 1997 to 2004, the number of habitations, which to some extent illustrate the growth in *tourism supply* in Chile, has increased by 27%. Furthermore, between 1997 and 2004 average daily spending per tourist declined from US$ 55.2 to US$ 46.1. So although tourism today is said to be one of the most important economic activities in the country (see for example EuroChile 2006, Sernatur 2005b), ranked as the fifth largest generator of revenue and compared to primary export products such as fish farming, wine and fruit (Sernatur 2005b: 16), the income generated from tourism within each tourism business or initiative seems to have declined.

[42] 1 US$ = 412.27 Chilean pesos. Furthermore, it should also be mentioned that statistically measuring tourism in Chile is also a rather new phenomenon and is under development, and some of the numbers might not be complete, or comparable overall; thus they should be read as an indication of a tendency more than 'facts'. There are for instance as argued in section 1.3 an extensive number of small-scale operators which have not been included in the statistics due to the fact that they are not registered legally and/or do not report in figures. The WTTC however has great confidence in the data (see http://www.wttc.org/2006TSA/pdf/Chile.pdf, p. 23).

[43] Expenditure by international visitors on tourism goods and services within the domestic economy. In the Chilean case, this does not include day-visitors and excludes international transportation.

[44] Based on data related to overnight stays at hotels, motels, apartment hotels, residentials and camping.

Nevertheless, tourism did account for about 3.7% of Chile's GDP[45] in 2001 including direct and indirect production[46] according to the World Travel and Tourism Council (WTTC) and is predicted to account for 6% in 2006, a figure which is however expected to decline to 5.7% by 2016 (WTTC 2006a: 6, 7). Total demand accounts for 0.2% of world market share (ibid.: 10). In 1996 a total of 25,000 tourism firms of various sizes and categories were reported (Sernatur 1998: 25), equivalent to 60,000 directly employed and 200,000 indirectly (Sernatur 1998: 3). In 2006 direct and indirect tourism and travel employment in Chile is expected to be 369,000, which is 3.6% of total employment (WTTC 2006a: 9). Chile's Travel & Tourism Capital Investment[47] is estimated at US$ 2,624.5 million or 7.1% of total public investment in 2006, and government travel and tourism operating expenditures are expected to be US$ 524.3 million, equivalent to 4.1% of total government spending (WTTC 2006b). Government spending on marketing was US$ 1.6 million in Chile in 2003, which compared to countries with which Chile finds it natural to compare itself is very low (Costa Rica US$ 12 million and New Zealand US$ 50 million) (Sernatur 2005b: 6).

It is this rather recent surge of interest due to the realization of the perceived importance (revenue and employment generation) and the potential of this sector in accordance with the above figures, that has prompted the creation of various tourism organizations in Chile, including Consetur[48], CPT and Sernatur. During the 1980s and 1990s there was great focus on infrastructural development, and between 1992 and 2006 more than US$ 2 billions was supposedly invested in tourism-infrastructure projects (WTTC 2006a, b).

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[45] Gross Domestic Product.

[46] "The Travel & Tourism Satellite Account is based on a 'demand-side' concept of economic activity, because the industry does not produce or supply a homogeneous product or service like traditional industries (agriculture, electronics, steel, etc). Instead, Travel & Tourism is an industrial activity defined by the diverse collection of products (durables and non-durables) and services (transportation, accommodation, food and beverage, entertainment, government services, etc) that are delivered to visitors. There are two basic aggregates of demand (Travel & Tourism Consumption and Total Demand) and by employing input/output modelling separately (large arrows) to these two aggregates the Satellite Account is able to produce two different and complementary aggregates of Travel & Tourism Supply: the Travel & Tourism Industry and the Travel & Tourism Economy. The first captures the explicitly defined production-side 'industry' contribution (ie direct impact only), for comparison with all other industries, while the second captures the broader 'economy-wide' impact, direct and indirect, of Travel & Tourism." (WTTC 2006: 8).

[47] T&T Capital Expenditure by Public and Private Sectors.

[48] The Superior Council of Chilean Tourism (El Consejo Superior de Turismo de Chile) is the private counterpart of Sernatur and its objective is to coordinate and promote cooperation between the private organizations in the tourism industry in Chile.

3.1.1.2 Tourism as a catalyst for rural development in Chile

From the middle of the 1990s a general consciousness thus grows surrounding the potential economic benefits of tourism in rural areas in Chile, also involving rural tourism becoming a theme in the public political debate (Faiguenbaum Ch. 2001: 5). As pointed out in the section above, international tourist traffic to Chile increased strongly in the years following the re-introduction of democracy, and the idea that tourism could be an initiative to promote productivity and combat poverty arises at both a central and regional level within different governmental institutions (e.g. Sernatur, CONADI[49], INDAP[50], FOSIS[51], FIA[52], etc.) and also within the NGO milieu in Chile (Brandt 2004, Faiguenbaum Ch. 2001, Calfuqueo 2004, Fernandez 2004). In the planning document "Summary of the Preparatory Study for the Drafting of a Master Plan for Tourism Development"[53] worked out by Sernatur Arauacanía[54] in association with the regional government in Araucanía in 1996, the following is said: "The primary aim of the development strategy envisaged by the Government is to improve the quality of life of all people in a sustainable manner […] It is here, taking into consideration the high tourism potential of our region which is based on its natural and cultural character, that the regional development strategy has defined tourism as a relevant sector for the diversification of production."[55] (SERNATUR 1996: 3, 6).

From the beginning of the 1990s, public politics concerning small, rural agricultural producers in Chile thus starts to be reorientated to adapt to the new goals within the generally neo-liberal agricultural politics whose overall aim is to develop and consolidate profitable and competitive agriculture. This leads to a focus on finding new and alternative sources of income for small producers through greater diversification, effectivity and access to "non-traditional" markets, and rural and ethnic tourism are thus regarded as a plausible alternative. A number of programmes which range from preparatory studies to training, technical assistance and financing etc. emerge. Carmen Blanco was one of the first people to take the initiative for rural and ethnic tourism in Chile and tells that the first initiatives, in part stimulated by foreign NGOs, arose from the grassroots and

[49] CONADI: Corporación Nacional De Desarrollo Indígena – National Coorporation For Indigenous Development.

[50] INDAP: Instituto National de Desarrollo Agropecuario - National Institute for Agricultural Development.

[51] FOSIS: El Fondo de Solidaridad y Inversión Social (Solidarity and Social Investment Fund).

[52] FIA: Fundación para la Innovación Agraria del Ministerio de Agricultura (Agricultural Innovation Foundation).

[53] "Resumen Ejecutivo de la Investigación para la Elaboración de un Plan Maestro de Desarrollo Turístico"

[54] Arauacanía is the IX region in Chile and is the region where the Chilean case study is located.

[55] El objectivo central de la Estrategía de Desarrollo impulsada por el Gobierno es mejorar la calidad de vida de toda la población de manera sustentable [...] De aquí es que, considerando el alto potencial turístico que tiene nuestra región y que se sustena en sus recursos de carácter natural y cultural, la estrategia de desarrollo regional ha definido al turismo como sector relevante en perspectiva de la diversificación productiva."

that it was the female Mapuche who were the first to do so. Later, she says, the initiative was picked up by the State which regarded rural tourism as a strategic solution to the problem of poverty in rural areas in Chile (Blanco 2004, personal communication, e-mail).

Within the public sector in Chile it is especially Indap (The Institute for Agrarian Development)[56], which comes under the umbrella of the Chilean Ministry of Agriculture, which has been in charge of rural tourism development. Christina Brant who works with rural tourism at Indap's office in the IX region where the Chilean case study, as mentioned, is located, tells us about the way it all started and confirms, as argued in section 1.4, rural tourism as a means to diversify the income of small-scale farmers in the Chilean countryside: "It started in about 1995, and arose as an agricultural, business opportunity, a new niche. It's not 'pure tourism', it's agricultural tourism. We don't work with tourism, we work with agriculture and tourism is thus an alternative, an opportunity." She says that the idea of rural tourism as a strategy to alleviate poverty came into being at a central governmental level and that Indap then applied for some projects to obtain financial support which was used to create rural tourism networks and to finance some small projects: "It came into being in Santiago at a central level. At that time I didn't work here, so I don't know how it came here, probably information about possibilities, etc. And then applications were made for some projects to get financial support. And some money came in and thanks to this a network was formed. They also supported some other projects through a competition and partly with the aid of credits. This was at the beginning, afterwards some small projects were supported through a competition. Some money for the poorest. And afterwards there were more modernization projects by way of a competition."

The aim of the first Chilean National Tourism Policy of 1998 which was established on the basis of the Strategy for Tourism Development in Chile 1995-2000[57] was to work towards a more integral and advanced type of tourism development in Chile. The plan recognizes the complexity and dynamism of the Chilean tourism industry, which in line with the work of Indap was increasingly becoming composed of small, medium-sized and micro-businesses (Sernatur 1998: 4). The plan was especially concerned with stimulating consciousness about tourism's opporunities in the country's citizens, and was wanted to place tourism among one of the most important economic sectors in Chile, and the plan also highlighted the need for better cooperation and coordination between the various public and private institutions involved in Chilean tourism development. Furthermore, the

[56] El Instituto de Desarrollo Agropecuario.

[57] Estrategia para el Turismo Chileno 1995-2000 (se e.g. Sernatur 1998: 32).

plan also stressed the importance and role of the regions and the regional public institutions[58] in the overall tourism development of the country, which is for example visible in three specific objectives in the plan: a) the competitiveness, transparency and sustainability of the market; b) competitiveness and regional tourism; c) institutional development at both national and regional level (Sernatur 1998). Each of these objectives is followed by a number of "lines of action" and instruments, such as a national system of quality certification, the development of a Regional Tourism Plan by each of the regional governments and the restructuring of Sernatur (Sernatur 1998: 10-22).

The Tourism Agenda for 2002-2005 repeats some of the objectives that were initiated in the National Tourism Policy of 1998 and adds a number of new ones. The plan thus sets out to: a) create instances for public and private coordination; b) increase substantially the public budgets for international marketing; c) strengthen CPT[59]; d) redesign Sernatur to meet the needs of the twenty-first century; e) revise current tourism laws; f) develop strategies to attract national and international investments in tourism; g) identify priority areas for tourism development: h) establish a normative system for the quality of tourism initiatives (minimum standards); i) increase the skills in tourism enterprises to meet the demands; j) establish indicators for the sustainable development of tourism; k) promote the development of tourism in protected areas; l) develop a national system of tourist information and a couple of other elements (see Sernatur 2006c).

What the Tourism Agenda of 2002-2005 tells us is that some of the central objectives of the 1998 plan, such as better cooperation and coordination between the tourism institutions and the restructuring of Sernatur, have not been implemented. Santiago Fernandez who has worked at Sernatur's office in Auraucanía since the middle of the 1990s tells us that this is linked to an absence of means or resources with which to bring the plan to life and, as a result, it is the potential of tourism to stimulate the economy and promote productivity which has come to characterize tourism development: "In 1998 a local and national tourism policy was developed supported by the Ministry of Finance which we depend on [...] This policy in part demonstrated the necessity of coordinating the various public bodies who could influence the development of tourism. In any

[58] This should also been seen in light of the establishment of the Regional Governments in Chile, which although established in 1992 have basically been in operation only for the last 8 years (SUBDERE 2006).

[59] The tourism industry in Chile is organized according to the French model (Maison du France), in which CPT acts as a bridge to coordinate activities between the private and public sectors.

case, that's how it was on paper. At the same time work was being done on a national development plan for productivity development in the region(s). This was also the Ministry of Finance. New workshops and businesses (...) and so on. I think there was more emphasis on the development of regional production than on national tourism as the resources were not available to bring this into being."

We can also see that the same central concerns regarding making tourism a national matter, the coordination and cooperation between and within public and private institutions and the fiscal powers of Sernatur are repeated in the National Tourism Plan of 2005. The plan has as its prime objective to position Chile as a tourist destination by focusing on developing nature-based and special-interest tourism with a particular emphasis on distant markets, while working to diversify and increase domestic tourism (Sernatur 2005b: 10). The plan thus suggests further steps to strengthen the fiscal power of Sernatur (ibid.: 11), and the work involved in coordinating the private and public sector is continued, for example by pointing to the need for an Advisory Committee to advise and inform Sernatur on developments in the private tourism sector (ibid.: 16). However, new areas of interest have also been introduced, such as a focus on social tourism as one of seven main areas of activity (ibid. 10).

The focus on strengthening regional tourism development from 1998, leading to the development of regional tourism plans is however not given the same attention in the tourism agenda for 2002-2005 or in the National Tourism Plan of 2005. Focus is primarily on the national and international level, to create strategies and cooperation that allow for the development of Chile as a tourism destination, the branding of such, the development of packages, etc. and not so much on tourism as a regional or rural development strategy. Christina Brandt at Indap argues that towards the end of the 1990s they had an advisor working with them for two years and that he helped them develop the small-scale rural tourism sector, but that the focus changed due to central political changes and that during recent years the process, at least in the area of Temuco[60], has been at a standstill: "When the previous leadership changed, this was rather sidelined."

Furthermore, both the tourism plan of 1998 and the Agenda for 2002-2005 are very ambitious and both have encountered several challenges to their implementation. Although the Tourism Plan of

[60] The regional capital.

2005 is somewhat more tuned down and somewhat more concrete, it also faces several challenges to its operationalization. Several of the representatives interviewed from governmental and private institutions dealing with tourism development in the IX region argue that in the Chilean public sector there is a long haul from "words on a piece of paper" to implementation, and that the implementation processes, as argued, are often complicated or hampered by the lack of finances granted or fiscal power. Reportedly, the already limited resources have also been misused, for example due to competing projects and duplicated studies. Finally, the lack of cooperation and communication between the public and private sectors and within the public sector itself as we will get back to in chapter 10-11 has also impeded a sound development of the rural tourism sector in Chile.

3.1.2 The Case of Lago Budi

3.1.2.1 Lago Budi and the Mapuche-Lafkenche people

Lago Budi is the southernmost inland salt-water lake in the world and lies in the IX region some 90 km from the regional capital Temuco and 570 km from the national capital Santiago.[61] Lago Budi is known for it rich fauna and is today a protected natural area (Calfuqeo 2004). It is also known for being one of two development areas for indigenous people in Chile created by the Indigenous People's Act of 1993 (Aylwin 1997: 5). Lago Budi is populated by a branch of the Mapuche, Chile's largest group of indigenous people[62] who are known as the Mapuche-Lafkenche ("the people by the lake"). Lago Budi borders on the municipalities of Puerto Saavedra and Teodoro Schmidt. When municipal boundaries were drawn up in Chile, no consideration was paid to whether the municipal boundaries would unfavourably divide the indigenous people's areas. Attempts were

Lago Budi. Photo: Ingeborg Nordbø

[61] Information from the home page of Lago Budi, www.lagobudi.cl, last accessed 6. May 2006.

[62] Numbering some 1,400,000 people, they constitute one of the largest groups in Latin America, along with the Aymará, Quechua, Mayas, Cackchiquele, Mixteca, Nahuatle, Otomie, Pile, Quiché, Yacateco and Zapateco. About one million are located in Chile and the rest in Argentina (Calbucura 1997).

made to rectify this is 1993 by changing the Indigenous People's Act in which the territory of the Mapuche-Lafkenche was defined as ADI Budi which refers to a geographical area belonging to an indigenous people who share in terms of primary characteristics a historic, cultural identity. Regarding Lago Budi, the ADI territory was decreed 10. March 1997. The population in ADI Budi numbers some 13,000 (IMPULSA 2002: 2). The businesses studied in the Chilean case study are all located in ADI Budi, but administratively the majority belongs to Puerto Saavedra municipality, while the rest belong to Teodoro Schmidt.

Some of the descriptions from the colonial period which exist about the area around Lago Budi tell of a numerous people who abide between The River Imperial and The River Toltén. Stories are told of *Cacikes* (traditional Mapuche chiefs) who kept up to 18 wives and of the 27 Spanish colonialists who settled around The Imperial and who were "alloted" 8,000, 10,000 or 12,000 Indians during the introduction of the *encomienda* system.[63] The earth was very fertile; people lived well and had a comprehensive source of food including agriculture, fishing and animal husbandry. Toltén was one of the most important areas in the Mapuche territory and one of the bloodiest battles in the history of the colonial period was fought by Lago Budi. The killing of Pedro Valdivia[64] led to the colonists fleeing the area and as with the rest of the area south of Bio-Bio, the area was self-governing for the rest of the colonial period (Flores Ch. 1997).

As with the other Mapuche in Southern Chile, the Mapuche-Lafkenche were subjugated to the Chilean Republic in the 1880s, and a number of forts were set up in southern Chile such as Temuco, Victoria, Lautaro and Nueva Imperial. In the middle of the 1800s the first German and French colonists arrived and at the beginning of the twentieth century a number of Spanish settlers came to Lago Budi, a total of 88 families mainly from the Canary Islands under the leadership of Eleuterio Domínguez. He had promised to bring 300 families to the area and when this failed to occur parts of the land he had been allocated to exploit from the central government were withdrawn. The new generation of colonists settled down in the area around what came to be the village of Puerto Domínguez, today the municipal capital of Teodoro Schmidt. Shoddy treatment of the natives is

[63] Precious metals were scarce in Chile compared to most other Latin American countries, and the early Spanish settlers thus turned their focus basically to agriculture and ranching. During the process of colonization, land grants (*merced*) were allocated to the conquerors as a way of rewarding their loyalty to the Crown through the *encomienda* system, through which a group of native Americans would also be consigned to their care (see e.g. Bauer 1975).

[64] Pedro Gutiérrez de Valdivia (c.1500 - 1553) was a Spanish conquistador and also the first royal governor of Chile (see e.g. http://en.wikipedia.org/wiki/Pedro_de_Valdivia, last accessed 20. January 2007).

reported, the settlers sequestrate more and more of the Mapuche-Lafkenche Indians' land and a drawn-out conflict begins between *los winchas*[65] and the natives in which land is a key problem (ibid.). As a part of efforts to civilize the natives, the first church is built in Southern Chile in 1859 in Puerto Saavedra. In 1895 the town of Puerto Saavedra is founded and is thus the oldest town in the IX region. In 1960 Chile is struck by a huge earthquake and the area around Lago Budi is flooded by an enormous wave. Puerto Saavedra disappears from the map. The River Imperial shifts course to end up three kilometres further north, the land in some areas rises and the lake of Lago Budi becomes much bigger than it was so and large areas were flooded (ibid.). The floods are very serious for the Mapuche-Lafkenche who little by little are driven further and further towards the areas between the sea and the lake to Isla Huapi (Huapi Island) where the earth is sandy and poor.

The territory of the Mapuche-Lafkenche, which was already greatly diminished by the arrival of the settlers and, their constant theft of new areas and the flooding after the earthquake in 1960, are also harshly affected by President Frei's land reforms in the last part of the 1960s. Under Allende they regain some of their original areas but these are given back to the previous owners, the neo-colonists when the military regime of Augusto Pinochet (1973-1990) comes to power. Pinochet's Indigenous People's Act of 1979 which permits jointly owned Mapuche property to be sold if there is only one person in a village that claims it, leads to internal conflict and arguments between those who want to retain the collective system and those who want to privatize the land. Under Pinochet poverty in the area reaches a peak and many wish to privatise the land to be able to sell their share. Today almost all land is private and each family possesses about three hectares of poor agricultural land, which is far too little to get by on (ibid.).

Puerto Saavedra municipality which due to historical reasons, as shown above, is the municipality in Chile which has the highest proportion (83%) of Mapuche was at the beginning of the millennium also Chile's poorest and 59.9% of the population live below the poverty line compared to a national average of under 20% (MIDEPLAN 2000). Of the municipality's residents, 83.7% of the population are rural, and most of these by far are Mapuche-Lafkenche who today, as before, live over on Isla Huapi in the ADI Budi area. The area is typically agricultural and partly due to the poor, sandy earth and partly due to tradition the families grow potatoes for their own consumption and for sale at the local and regional market. In addition each family typically has some animals, a

[65] A perjorative way of speaking of white people among the Mapuche Indians.

couple of oxen, cows, pigs, geese, horses and other animals usual for self-sufficiency. Access to credit, technical support, good land, capital and technology (irrigation systems, roads etc) is poor in the area and one of the greatest challenges farmers face is the low price they get for their wares. Due to the general socio-economic situation, migration from the area to the regional capital of Temuco and towards Santiago is also high. This is true mainly of young people who emigrate to look for work as domestic servants or in construction ((IMPULSA 2002: 2-3).

Ever since Pinochet's regime Lago Budi has due to the high level of poverty been a favoured target for a number of development-oriented NGOs, and even since the re-introduction of democracy in 1990 and after the area in 1993 was declared an indigenous people's development area, the presence of a number of national and international organizations and institutions with diverging goals has characterized the area.

3.1.2.2 Tourism development in ADI Budi

Tourism is a rather new field for the Mapuche-Lafkenche and their initial efforts can be traced back only some 5-8 years. First to the grindstone was Clauida N. who started in 1996 after she had heard the expression 'tourism' at a number of meetings and training sessions she had attended as village leader, though without knowing a great deal about what the term involved. Afterwards Miguel started doing tourism in Paucho in 1998. Claudia N. and Miguel's projects were innovative in that it was the first time concrete work had ever been done in the area with tourism. Of course, before people had received guests but the thought of being able to create an alternative source of income from tourism emerged with Claudia N.'s idea. As Claudia N. points out: "Tourism was something new for us, the Mapuche here [...] it was a new experience for my village and also for the villages around" and Miguel also emphasizes the innovative nature of the tourism work of the Mapuche-Lafkenche "(...) because before people didn't work with tourism, it was an unknown area (...) so from the start "it costed" to work with this theme, because people didn't know the theme, to put it to you that way."

More systematic development of tourism in Lago Budi that later resulted in the project "Naturaleza y Cultura Ancestral en Lago Budi"[66] (Nature and Ancestral Culture in Lago Budi) emerged in the

[66] Only two of the businesses studied were not directly involved in this project.

wake of the IMPULSA[67] programme financed by FOSIS[68] which came to Puerto Saavedra in 1996 and as a result of the national ”Plan de superación de la Pobreza” (The Plan to Combat Poverty) which was implemented by the Government in 1995. The aim of the programme was two-fold: a) to try out strategies for local development; b) to improve the living standards of the population (Impulsa 2002: 3). The aim was for the regional government to get guidelines to work in the municipality, and based on this a PLADECO (Plan de Desarrollo Comunal (Plan for Local Development)) was drafted. The plan pinpointed programmes and projects within productivity increases, housing policy, an increase in tourism (this is where the Nature and Ancestral Culture in Lago Budi project comes in), help for the disadvantaged, implementation of a system for municipal education and local and inter-municipal infrastucture (ibid.: 4). While formulating the plan a number of workshops for the local population were held and via these the idea to start doing tourism in Mapuche villages emerged: ”During the process mentioned and consolidation of the Plan for Local Development, tourism emerges as a strategic alternative in the economic development of the area.” (ibid.: 11). Based on the IMPULSA programme a foundation was thus established, AZUL CONSULTORES, which in 2000 became an NGO, the ”Fundación de Desarrollo Local IMPULSA”, or more usually called IMPULSA (Calfuqeo 2004).

Since 1997 the Impulsa programme has thus involved more concrete measures to help and directly advise the first Mapuche families involved in tourism around Lago Budi, and in 1998 Impulsa sought support for a pre-project from the Bilance fund (today called Cordaid). In the wake of the preparatory study, work commenced on the architectural solutions for the projects the preparatory study had found worthy of support, and soon the first infrastructural constructions will begin supported by Impulsa, CONADI and SERCOTEC. In 2000 SERNATUR, IX region works out the design for the tourism product called ”Nature and Ancestral Culture around Lago Budi”. Based on the design, Impulsa tries to find financing to concretize the different initiatives, and is given funds in part from Fundación Andes, CONADI and el Fondo de las América, Chile (Impulsa 2002: 11-

[67] From the Spanish proverb *impulsar* which means to initiate.

[68] ”The Social and Solidarity Investment Fund – FOSIS is a decentralized public agency of the Chilean Government, with legal personality and heritage, created in 1990. FOSIS is subject to the supervision of the President of the Republic, with whom it interacts through the Ministry of Planning (MIDEPLAN). FOSIS finances – in whole or in part – development plans, programs, projects and special activities that contribute to poverty reduction in the nation. These actions should resolve income-related problems, improve quality of life and / or help to strengthen the capacities and skills of the most needy. It works with communes and territories that are targeted due to the high concentration of poverty present and / or other indicators of social exclusion” (see www.fosis.cl).

12). Pablo Calfuqeuo who is Impulsa's local representative also points out that the project has been given funds in part thanks to EU money (Pablo 2004).

The aim of the project from Impulsa's side has been to: "Increase the financial income of Mapuche families around Lago Budi by incorporating tourism as a factor complementing the usual sources of income in the area"[69] (Impulsa 2002: 13). Thus Impulsa fits in well with the vast quanity of other private and public institutions which primarily focus on tourism as a measure to combat poverty in rural areas in Chile. However, the project also expresses an environmental aim: to take care of biological diversity and make the Mapuche-Lafkenche aware of environmental deterioration, rubbish etc and develop an organizational capacity in part through a joint local tourist organization. Impulsa defines its own role as a coordinating body between the various parties, as well as an adviser and travelling companion (ibid.: 12).

In all 21 projects were assessed in the preparatory study, but only 15 businesses received economical support (Impulsa 2002). According to the local advisor the support had helped 46 families, i.e. 250 Mapuche round Lago Budi (Pablo 2004). According to Impulsa (ibid.) the most important results from the tourism project are:

- 15 tourist initiatives established with a basic infrastructure.
- Formal constitution of the tourism organization "Asociación Indígena Azlilko Lewfu Budi" (The Indigenous People's Organization of Azlilko Lewfu Budi (Budi, the beautiful lake)) comprising and run by a network of tourism initiatives round Lago Budi.
- 53 people educated and skilled within the following areas: a) administration, b) management, c) customer services, d) hygiene and handling foodstuffs, e) traditional food (typically gastronomy), f) formation of local guides, g) ecotourism and formation within micro-business.
- The tourism product, LAGO BUDI, promoted and articulated by tour operators.
- A web page with information about the tourism product: www.lagobudi.cl

(p. 1).

[69] "Incrementar el nivel de ingreso económico en familias Mapuche del Lago Budi, mediante la incorporación del turismo como un rubro complementario a las actividades económicas habituales de la zona"

Since the start of the project, a number of new initiatives have emerged which want to start up tourism. A number of these are thus in the ”queue” to be accepted as members of the local tourist organization, which is required to be considered to receive financial support.

3.2 Tourism Development in Norway and the case of Tinn

3.2.1 The tourism sector in Norway

The start of tourism[70] in Norway, it has been argued, commenced shortly after the formation of the nation state in 1814 (Lampe 1953, Welle-Strand 1978). The journey via Slidre to Bygdin and Tyin by B.M. Keilhau and Christian Boeck in 1820 called “the discovery of Jotunheimen” is regarded by many as the start of tourism in Norway (Welle-Strand 1978). Both Norwegians and foreigners travelled within and to Norway before this, but such journeys were mostly related to matters like trade. Up to the middle of the 1800s the travellers were often more “explorers” than recreationists (Lampe 1953: 9) or painters or writers, often upper-class Europeans and especially the English middleclass who travelled to Norway as part of their “grand tour” (see section 3.2.2.2). In addition, again mainly English, sport anglers and hunters wended their way to the Norwegian countryside, which at that time was often fairly simple and primitive, with poor hygienic and sanitary conditions (ibid., Løberg 1989, Lurås 1995). Those that did make the trip, however, tell of a warm welcome and friendly people who received them as guests and opened their homes to foreigners (Lampe 1953).

While the first national Chilean tourism association was formed only in 1975, its Norwegian sister organization has a history stemming from the beginning of the twentieth century. “Foreningen for Reiseliv i Norge”[71] was established in 1903 and was based on cooperation between governmental institutions and private interests (Walle-Strand 1978). The main objective of the new organization was to stimulate cooperation between the already established tourism organizations around the country and others interested in tourism and travel in Norway, to market Norwegian tourism abroad and in every other way to work towards advancing tourism and travel as a source of income (ibid.:

[70] While tourism in the English-speaking literature normally refers to the whole spectrum of tourism activities, i.e. both holiday- and business-oriented travel, in Norway the term *turisme* (tourism) normally refers only to the holiday-based segment, while the term *reiseliv* refers to the totality (see for example Aall et al. 2003). In this section the term tourism is, unless stated otherwise, used to refer to the totality of tourism and travel-related activities in the country.

[71] Association of Tourism and Travel in Norway.

14, Palme 1956: 57). "Foreningen for Reiseliv i Norge" was transformed into NORTRA[72] in 1984 (Norges Turistråd 2003: 41) and changed its name to "Norges Turistråd"[73] in 1997 (ibid.: 53). As of 1 January 2004, Innovation Norway assumed the tasks of the Norwegian Tourist Council (NTR), the Norwegian Trade Council (NTC), the Norwegian Industrial and Regional Development Fund (SND) and the Norwegian Consultative Office for Inventors (SVO). Innovation Norway's objective is "to promote private, socio-economically profitable business development throughout the country, and to stimulate commercial opportunities in the districts and regions by encouraging innovation, internationalisation and image-building" (Innovation Norway 2004: 17), and has offices in all the Norwegian counties.

The Norwegian Hospitality Association (RBL)[74] was founded in 1997. As its Chilean sister organization Consetur, RBL is the private counterpart of the public tourism organization Innovation Norway – Reiseliv, but while Consetur consisted of about 500 members in 2003, RBL has around 2,100. RBL includes members from a range of businesses within tourism and travel, hotels and other accommodation firms, restaurants, catering and other food service businesses. Members also include campsites, family amusement parks, alpine facilities and other attractions. RBL's overarching aim is to create enhanced profitability for its member businesses and to participate actively in the shaping of Norwegian industrial policy and it seeks to influence decisions that public bodies take nationally or locally. Today, RBL has about 2,300 member businesses with a total of 55,000 employees and annual turnover of over NOK 18 billion. The organization covers the entire country, has six district offices and is one of the three largest national associations in the Confederation of Norwegian Business and Industry (NHO).[75]

3.2.1.1 The significance and scope of tourism in Norway

The "discovery" of Norway as a tourism destination was strongly related to the Romantic era and its nostalgic and exotic view of nature in particular and also the everyday life and customs of rural people (see for example Welle-Strand 1978). Scientists who came to Norway for some scientific motive became interested in the alien and exotic Norwegian countryside, as seen for example in the story of Jens Esmark who came to Rjukan to study rocks and discovered the Rjukan Foss (see

[72] Nortravel Marketing, financed 50/50 by the state and private contributions.
[73] The Norwegian Tourist Council.
[74] Reiselivsbedriftenes Landsforening.
[75] RBL, http://www.rbl.no/omoss.asp#, last accessed 1. April 2006.

section 3.2.2.2); or Jeeves, who in 1870 came to the glacier "Brondhusbreen" to look for ice for his master's drinks at his London club and discovered the splendour of the Norwegian fjords. In order to ensure a supply, he started a steamship route from London to the Norwegian fjords which the glaciers were located close to, and from around 1875 Thomas Cook started weekly cruise departures from London to the Mauranger Fjord in Hardanger[76] (see also Viken 2001). Thus, already at that time, towards the end of the 1800s, tourism was becoming "big business" in Norway (Walle-Strand 1978: 11), and tourism came to play a vital part in the infrastructural development (i.e. through the construction of railways, roads, ferries and ships, etc.) of the country and was also warmly welcomed as an extra income to the often marginal rural economy. Over time, however, both the nationalities and social classes of the tourists changed. From the initial dominance in international arrivals of the English upper-classes, Norway then became an attraction to the broader European middle-classes and also to parts of the Norwegian aristocracy (see ibid., Palme 1957).

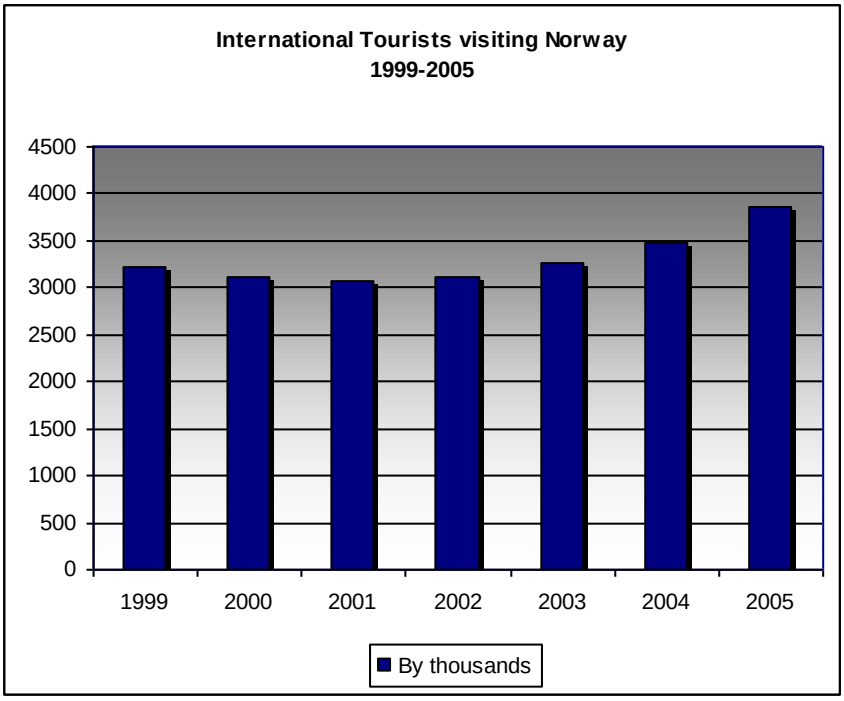
The first Norwegian national statistics about international arrivals were recorded in the 1880s and in 1886 a total of 13,529 foreign visitors were reported and by 1906 this number had increased to 34,342 (Walle-Strand 1978: 12).[77] Foreign tourism to Norway was declining with the outbreak of the first World War, and only in 1927 was tourism traffic to Norway back to the numbers reported in the years before the war. Shortly before the outbreak of the Second World War (1938) a total of 270,000 international tourists were reported (ibid.: 18). Since the Second World War the number of international tourists has increased significantly, and between 1999-2005 the number of international tourists reported is shown in diagram 3.2 on the following page.

Although tourist traffic to Norway has doubled more than a hundred times since 1902, the nationalities of the international visitors remain basically unchanged apart from a reduction in visitors from the UK. In 2005 Swedes accounted for the majority of foreign visitors to Norway (26%), followed by Danes and Germans who both account for 17%, The UK accounts for 8%, visitors from Finland and US for 5% each, The Netherlands 4% and others 18% (Innovation Norway 2004: 11).

[76] Norway myway, http://www.norwaymyway.com/norwegian_fjords/, last accessed 29 March 2006.

[77] It has to be noted that the numbers are of course associated with a certain degree of uncertainty regarding their statistical validity (see for example Walle-Strand 1978: 12).

Diagram 3.2: International tourists visiting Norway (1999-2005)



Source: Elaborated on the basis of Rideng and Haukeland (2005) and Innovation Norway (2004).

For statistical and analytical purposes it is normal in Norway to follow the definition of tourism of the World Tourism Organization which distinguishes between: a) domestic tourism, referring to people who travel in their country of residence; b) inbound tourism, referring to people who travel in a given country and live in another country; and c) outbound tourism, which is defined as people living in a given country and travelling outside the country (ibid.: 16). Table 3.2 on the following page shows some basic indicators of the economic significance and development of tourism in Norway in the period from 1989-2005.

In 1902 a total of 642 hotels existed in Norway (Norges Turistråd 2003: 5), while the number of tourism-related firms registered in 2003 was 12,619.[78] As is the case with Chile, tourism is regarded as one of the most important economic activities in Norway and the tourism industry accounts for around US$ 9-10 billion of GDP annually, which is five times more than fishing and fish farming and more than three times as much as agriculture and forestry (ibid.: 73).

[78]SSB, http://www.ssb.no/emner/10/11/reiseliv/, last accessed 31. March 2006.

Table 3.2: Indicators of Tourism Development in Norway[79]

	Measurement	1989	1991	1994	1997	2002[80]	2005
Inbound Tourism[81]							
Tourism consumption by foreigners	Millions of US$	-	-	2680	2880	3450	3,690
Average daily spending per tourist[82]	US$	-	78.4	79.0	-	174.9	124.0
Overnight stays[83]							
Guest-night by foreigners	Thousands	5,251	6,006	-	5,039	7,275	7,500
Guest-nights by Norwegians	Thousands	10,720	11,528	-	10,680	17,108	18,500

Source: Elaborated on the basis of Innovation Norway (2004), SND (2002, 2003),
SSB (2006a, b, c, 2003, 1999, 1998), Jean-Hansen (1996), Dybedal et al. (2005) and Haukeland et. al. (2003).

According to the World Travel and Tourism Council (WTTC), in 2005 tourism accounted for about 3.7% of Norwegian GDP including direct and indirect production (WTTC 2006c), and total demand accounted for 0.6% of world market share (ibid.). In 1988 direct employment in the tourism industry was about 144,000, while it had grown to 160,000 by 2001 (Norsk Turistråd 2003: 81). In 2006 both the direct and indirect employment by tourism and travel in Norway is expected to be 230,000, which is 10.1% of total employment (WTTC 2006c: 6). Norway's Travel & Tourism Capital Investment[84] is estimated at 7.3% of total investment in the year 2006, and government travel and tourism operating expenditures[85] are expected to be 5.6% of total government spending (WTTC 2006d).

[79] 1 US$ = 6.62 NOK (Norwegian kroner). All prices calculated in current values (March 2006).

[80] A modest decrease in relation to 2001, but part of the decrease is part of a trend

[81] Satellite accounting in Norway (see www.ssb.no) was implemented in 1988 (thus no statistics for the whole tourism industry as such prior to this).

[82] These data are normally expensive to obtain, thus limited information exists. However, data are calculated especially on the basis of information obtained from TØI (see for example Dybedal et al. 2005, Haukeland et al. 2003 and Jean-Hansen 1996).

[83] The numbers are not totally comparable from year to year since the statistics have been improved and changed. Private cabins have been included in the statistics since 1999, and in 1998 the camping statistics were extended and improved to include caravans, camper vans, tents, etc. Hotels and similar establishments: between 1950 and 1984 the statistics included only licensed hotels, since 1984 all hotels and similar establishments with 20 beds and more have been included. Regarding camping: refering to June, July and August. Between 1976 and 1989 the statistics included all camping sites; since 1989 only camping sites with at least 8 cabins or an "indoor capacity" of 8 rooms in houses have been included.

[84] T & T Capital Expenditure by Public and Private Sectors.

[85] Spending by governments on T&T Industry and Visitors.

3.2.1.2 Tourism as a catalyst for rural development in Norway

Although tourism as argued in the previous section has played an important role in the economic development of Norway, it has a history of limited institutional attachment. For example, a ministry of tourism has never existed and currently tourism comes in under the umbrella of the Ministry of Trade and Industry.[86] The lines or foundation of Norwegian tourism policy were drawn up some 20 years ago in Parliamentary Report (Stortingsmelding) no. 14 (1986-1987) called "On Tourism and Travel" (Om reiseliv), and later in the first Norwegian National Tourism Strategy from 1989 (Norsk Turistråd 2003: 44). An absorption and concretization of the Norwegian tourism strategy from 1989 came in 1993 via an action plan from the Ministry of Industry and Oil (Nærings- og Oljedepartementet) called "Go for Tourism" (Sats på reiselivet). The latest Parliamentary report on tourism, "A Profitable and Competitive Tourist Industry" (Lønnsomme og konkurransedyktige reiselivsnæringer" came in 1999[87] (Aall et al. 2003: 24). Since this a new Action Plan for the Tourism and Travel Industry has been launched by the last Government in mid-2005 (Norwegian Ministry of Trade and Industry 2005), and in the current Government's political platform, the Soria Moria Declaration[88], a separate section has been dedicated to tourism in which the government's focus is defined in the following terms: a) develop a national tourism strategy based on a closeness to nature and Norwegian culture, which also attends to the focus on green tourism and tourism as a rural industry; b) strengthen the international marketing of Norway as a destination, in part by increasing the funds available to information work about Norway abroad; c) ensure the quality of the tourism products and the confidence in the market; d) introduce a voluntary certification system for firms that wish to market themselves as part of the Norwegian brand; and e) implement a training program to follow up the tourism strategic plan (SMK 2005, chapter 4).

A central element of Norwegian tourism development throughout the years no matter which government has been in power has thus been a focus on tourism as a rural and regional developmental instrument. The action plan from 2005 states that "the travel and tourism industry is particularly important in terms of regional employment and development. Tourism is the basis industry in many local communities and it generates many ripple effects in other local business sectors" (Norwegian Ministry of Trade and Industry 2005: 8). Thus, while tourism as a rural development strategy was introduced in Chile only from the mid-1990s, the first Norwegian

[86] Norwegian Ministry of Trade and Industry, http://odin.dep.no/nhd/norsk/bn.html
[87] Stortingsmelding 15 (1999-00).
[88] Soria Moria erklæringen.

regional tourism development strategy, "Touristplan for Finnmark" (Turistplan for Finnmark), was introduced in 1968 (ibid.: 30). Although the total turnover of the Norwegian tourism industry is highest in urban areas, the relative importance of the tourism industry is highest in rural areas (Aall et al. 2003: 20), and thus, since 1990 the Norwegian Industrial and Regional Development Fund (SND) – now a part of Innovation Norway - has given considerable financial support to the development of networks, small-scale rural tourism businesses, etc.

3.2.2 The case of Tinn

3.2.2.1 Tinn municipality

Tinn municipality is located in the north-eastern corner of Telemark County and was called Bratsberg amt before 1918. The county is in the southeast of Norway, about 100 miles from the capital Oslo. As with the case of Lago Budi, Tinn is to a great extent situated around a lake, the inland lake of Tinnsjø, which is Norway's second deepest lake (461 meters at its deepest). Tinn is comprised of the former districts of Hovin and Tinn and covers an area of about 706.4 square miles. Tinn is a distinctly mountainous region. Only 1% of its total surface is cultivated while 99% consists of upland pastures, mountainous terrain, forests and water. Of the total area 89% lies 2,625 feet or more above sea level, ranging from 630 feet at Tinnsjøen, to 6,178 feet for the highest mountain peak, Gausta. From the northern part of this large body of water five valleys fan out: Vestfjorddalen, Husvolldalen, Gjøystdalen, Mårdalen, and Tessungdalen. The municipality borders to the north and east with Nore og Uvdal and Rollag in the county of Buskerud; to the south with Notodden, Hjartdal and Seljord, to the west with Vinje, all in the county of Telemark (Aschehoug og Gyldendals Store norske leksikon 2006: 379-380).

Historically, before the turn of the twentieth century Tinn was a small, agricultural society, where the farms lay along the river valleys and up the mountain slopes. Frequently they were located on rather steep inclines and were small, having on average a mere 5 to 71/2 acres under cultivation (Kjelstadli 1943). On the whole, producing crops plays only a minor part in Tinn's agriculture. Cattle-raising or dairy farming combined with forestry were and still are the main pursuits of the farming population. Since 1894 the State has been the largest owner of woodland in the district, controlling about 25% of the forests (Tinn Kommune 1972: 31).[89] People from the municipality of

[89] Before the district of Tinn and Hovin were merged the State controlled 45% of the forests in the municipality (Kjelstadli 1943: 12, 46).

Tinn were, proportionally speaking, strongly represented in the early phases of Norwegian pioneering in America.

> "The poet's word about our mountains, that they 'like memorial stones would at some future age stand and show where Norway once lay' will soon be fulfilled as far as Gausta is concerned, because the people of Tinn have also been bitten by the urge to leave for America."
>
> Henrik Wergeland in the newspaper *Statsborgeren* (The Citizen), May 28, 1837
>
> (cited in Svalestuen 1972).

According to Svalestuen (1972) throughout the seventy-year period of 1837-1907 there was little other out-migration from the community apart from that to the United States, and in-migration to the district was minimal.[90] According to the first Norwegian census, in 1769 the population of Tinn was 1,707 and in 1865 the population had reached a total of 2,632. The rapid population increase was related to a lower death rate and higher birth rate, and 1810 was the last year when deaths outnumbered births. As a consequence of these developments the number of people without property increased rapidly. In 1801 the property-owning group comprised 56% of the population, but by 1835 only 43%. The number of day-labourers and farm workers increased especially, as did the number of landless cotters (husmenn). In 1835, the cotter class constituted some 20-23% of the population. Tenant farmers (leilendinger) doubled in number between 1801 and 1835, and in the latter year, people on public aid and officially classified as poor constituted 8.7% of the total. Svalestuen argues that this pattern indicates clearly that the agrarian society was undergoing a process of proletarianization. As the landowning class was by far the most numerous group in 1801 it follows that it had the largest share of the population increase up to 1835. Subdividing farms and clearing new homesteads could not keep pace with this proliferation. As a result, certain freeholders (selveier) were forced to become tenants, while sons and daughters of independent farmers were threatened with a decline in social status. Some of them became cotters or even servants and day-labourers. The danger of merging with the agrarian proletariat undoubtedly spurred many young people on to try their luck elsewhere.

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[90] See also the Norwegian-American Historical Association (NAHA), http://www.stolaf.edu/naha/pubs/nas/volume29/vol29_01.htm, last accessed 9. August 2008.

According to Dahl (1983) in 1907 industrialization set in with full force and Tinn changed from being an area of emigration to one of immigration. In 1900 3,200 people lived in the municipality, in 1920 the number was 12, 200.[91] The population doubled in five years: from about 2,300 in 1905 to about 4,600 in 1910. The establishment of Norsk Hydro's industries in Vestfjord valley meant that the district was entering a period of vigorous economic growth and the opportunity to emigrate became less attractive. Until Norsk Hydro had established its factory, the Vestfjord valley had no roads and was an isolated place. Within a few years the area had been transformed into a bustling industrial village with a total of 9000 inhabitants, a venture which is unparalleled in Norwegian industrial history. In 1960 the population of Tinn numbered 9,635, of whom 6,985 - more than two-thirds of the total - lived in the industrial village of Rjukan, the current municipal centre, which was designed and constructed by Norsk Hydro. Some 55% of the population was at the time linked to industry while only 10% were linked to agriculture or forestry.

Industry still provides an important source of livelihood for the people of Tinn, but major restructuring and the outsourcing of several of Hydro's core production lines over recent decades has implied that since the 1960s Tinn has experienced a major population decline and as of 2006 the population is 6,247 (Aschehoug og Gyldendals store norske leksikon 2006: 379-80) and the tendency is for further emigration. Following industrial decline, Tinn has increasingly turned its attention towards tourism as a "new" line and economic strategy.

3.2.2.2 Tourism development in Tinn

While tourism in Lago Budi as argued in section 3.1.2.2 is "unexplored country", tourism in Tinn has a long and interesting history, and Rjukan has often been described as the cradle of tourism in Norway. According to Dahl (1983) during the National-Romantic 1800s, the interior of the county of Telemark was regarded as a strange and exotic place, and it tempted in particular the British, the Germans and the French. It all started in the summer of 1810, when the "berg assessor" Jens Esmark came to Tinn and Rjukan to study rocks, and "discovered" the great waterfall in Rjukan (Løberg 1989, Dahl 1983, Lurås 1995). According to Dahl, Esmark claimed that he had seen the greatest waterfall in Europe, at a height of 271 meters (Dahl 1983), though the correct height was actually 104 meters. Thus, the Rjukanfossen soon became famous worldwide, as did the mountain Gaustatoppen, increasingly acknowledged as "a place worth seeing". Writers and painters arrived

[91] See also Aschehoug og Gyldendals Store norske leksikon 2008, http://www.snl.no/article.html?id=778332#9, last accessed 9. August 2008.

and expressed their fascination at Tinn's nature through writings or paintings and thus contributed highly to the marketing of the area. The first tourists arrived around 1830 – 1840 and the stream of tourists increased around 1850 (Løberg 1989). Rjukanfossen waterfalls in Maristujuvet Gorge were a famous tourist attraction until they were tamed to produce power for Norsk Hydro's new industry and the town of Rjukan (Dahl 1983). By the local inhabitants, however, both Rjukanfossen and Gaustatoppen were perceived as ugly and hostile, and the locals had a hard time understanding why people would bother to travel so far just to experience these sights (see e.g. Dahl 1983).

A typical painting from the National Romantic era, farmers admiring the great waterfall (source: Dahl 1983)

However, increased tourism implied that changes had to take place, and in the 1860s hotel construction increased and transportation facilities began to improve (Dahl 1983). In 1864 the first steamboat sailed on Lake Tinnsjø: this was of course an improvement visible to the increasing stream of tourists coming on that route. Earlier the tourists had had to make the trip over the lake by rowboat which could be a dangerous journey (Løberg 1989, Dahl 1983, Lurås 1995). Compared with the urban standards that most of the tourists were used to, the hygiene was also quite bad in much of the accommodation sector, and especially on the farms (Lurås ibid.). Local hotels were thus built and many famous names are to be found in the old guestbooks. According to Lurås at the Nyland Hotel, the guests were both Norwegians and foreigners and during the summers of 1883-85 a total of 1,000 people from 16 different nations visited the hotel. Another hotel was built in the years 1895-1897, and the name it was given was Rjukan Hotel (Løberg 1989). In 1899 the hotel had about 1000 guests: "There were lords, counts and barons from all over Europe, and their target was the waterfall of Rjukan. Most of them stayed at the 'Rjukan Hotel' which according to the standards of the time was a 'luxurious hotel'"[92] (ibid.: 15).

The first steamboat to sail on Lake Tinnsjø in 1864 (Source: Dahl 1983).

[92] "De fleste bodde på 'Rjukan Hotell', som etter datidens standard var et 'luksushotell'".

The Norwegian Tourist Society was founded in 1868 and their goal was to arrange and systematize access for tourists to travel to places with scenic nature. They built cabins where the tourists could seek shelter and the very first tourist cabin that the society owned was at Krokan, close to the waterfall of Rjukan (Løberg ibid.). The tourist society had also shown an interest in Gaustatoppen, and in 1889, again according to Løberg, they first spoke of building a cabin on top of the mountain. The cabin was finished in the summer of 1892 and in 1893 about 500 tourists visited it. The guestbook at Gaustatoppen was started as early as 1869, and Crown Prince Oscar and his wife Sophie were the first to write their names in the book. In 1906, the tourist society built a road from Tuddal to Gaustatoppen because a number of tourists came from that direction as well. In the period 1901–1908 the average number of people who visited the top each year was about 200 (Løberg ibid.: 12). Today the number reaches around 30,000 tourists a year.

Many people claim that when Sam Eyde started working with Hydro in Rjukan, the stream of tourists decreased. Dahl (2000: 27) argues that as long as the saltpetre fabrics in Rjukan were doing well, no one cared much about the tourism industry. However, this is only partially true, because during the period of recession in the 1930s the municipality started looking for other sources of income and started to market itself with different kinds of winter and summer activities. After World War II tourism facilities increased such as campgrounds, youth hostels, restaurants and hotels. And, as argued above, in the 1960s when Hydro had to reduce its work and manufacturing capacity in Rjukan, the municipality once again turned their eyes towards tourism. Much of the tourism development since the 1980s has been concentrated on the construction of a number of holiday cottages and the development of the alpine area of Gaustablikk. Parallel to this, and especially during the last decade(s), there has also been an increase in the number of small-scale tourism enterprises, in many cases as supplement to the more traditional farming or dwelling.

3.3 Summing up

The main objective of this chapter has been to introduce the cases studied in this dissertation and their tourism context. More specifically, we have looked at the scope and significance of the tourism sector in Chile and Norway and we have traced the orientation on tourism as a rural developmental tool in the overall national tourism plans and strategies of the countries. Furthermore, we have described the two cases in terms of more general historical, demographical and geographical characteristics and more specifically in terms of the history and development of the local tourism sector. As we proceed with the analysis we will increasingly discover the significance of these factors for the performance of and challenges to the small-scale tourism businesses studied in the dissertation.

In the following we will sum up the findings in this chapter in terms of pointing to some central similarities and differences. Thus, if we start to look at the history of tourism in the two cases they differ substantially in that in both Norway and Tinn itself tourism has been an important economic sector for almost two centuries, while in Chile and Lago Budi tourism is a rather or totally new industry. This difference has a lot of important implications: first, while Norwegians and the people of Tinn are in general experienced and have an extensive knowledge of tourism and tourists, Chileans and especially the Mapuche-Lafkenche people are and do not; second, the size of the market and demand is much higher in Norway and Tinn than in Chile and Lago Budi. While in Norway there are currently around 3.5 million international arrivals a year, in Chile the number is 1.8 million consisting of about 40% Argentineans with limited budgets. Added to this is the fact that Norwegians travel more inside their own country and their purchasing power is greater than the average Chilean's; third, with reference to the public national tourism plans and organizations we can see that most of the main contemporary Chilean tourism struggles are "history" in Norway. This is visible for instance if we look at the objectives of the first national tourism organization in Norway, "Foreningen for Reiseliv" (established in 1903) which had as its main objectives to stimulate cooperation between the already established tourism organizations around the country and others interested in tourism and travel in Norway, to market Norwegian tourism abroad and in every other way to work towards advancing tourism and travel as a source of income. Today we could argue that these objectives have definitively been fulfilled. Thus, if we look at the Chilean sister-organization and the corresponding Chilean national tourism plans and agendas, we can see that their main contemporary struggles are the same as those identified in Norway some 100 years ago, i.e. coordination and cooperation between public and private institutions involved in tourism,

marketing Chile abroad and to stimulate a tourism consciousness in the country's citizens in order to locate tourism as one of the most important economic sectors of the country.

Furthermore, another important element, which is partly related to the above, is the fact that while financial and other types of support to rural project and business development in the Norwegian case are basically centralized or coordinated within one state institution, that of Innovation Norway, in the Chilean case this, in addition to being highly limited, is highly fragmented. A number of public and private institutions and pro-poor oriented NGOs support tourism development through projects, and most of them in turn depend on national or international agencies and donors for funding. This implies that most tourism development projects tend to have a short-term orientation which is further strengthened by what is often a lack of continuity within public plans and institutions. While tourism as a rural developmental strategy has thus prevailed despite changes in Norwegian governments, in Chile the orientation and area of focus could change dramatically when central political changes occur. Additionally, diverging interests, high competition and limited cooperation between the different institutions also impede the building of tourism-related skills. These are, however, topics that will be further elaborated in part 3 and 4 of the dissertation.

Part 2: Small-Scale Rural Tourism Businesses: Family Considerations and Entrepreneurship

In part 1 of the dissertation we have "set the scene" for this study in terms of the research theme, research approach, methodological considerations and empirical context. Part 2 is the commencement of the analysis and centres especially on acquiring a better understanding of the first two research questions stated in section 1.3.

As argued in chapter 1, tourism is increasingly seen as a catalyst for rural development both in developed and developing countries, yet at the same time the role of small-scale tourism businesses is in this respect an under-researched topic. As argued in section 1.3, existing research suggests that a family business is in general the dominant form of enterprise ownership and management style among small and micro-sized (tourism) enterprises in rural areas. Thus, on the basis of existing research and studies, the aim of chapter 4 is to attempt through a deductive approach to gain a better understanding of the significance and importance of the family aspect of the businesses studied empirically in this dissertation. The chapter starts by giving a brief overview of the state of the art of existing research into family businesses in (rural) tourism. Against this background, a number of hypotheses regarding what might characterize family businesses in rural tourism are stated. In the following sections, these are then "tested" against the empirical findings of the dissertation and, when fruitful, mirrored in the light of secondary data.

Furthermore, section 1.3 has also discussed the fact that within the existing research about small-scale tourism businesses and family businesses more generally, there is a preoccupation with their entrepreneurial and innovative capacity, a capacity which as argued is perceived as fundamental both for business and rural destination development. Thus, on the basis of existing research into and studies of entrepreneurship in tourism, the aim of chapter 5 is, again through a deductive approach, to obtain a better understanding of the entrepreneurial and innovative aspects of the businesses studied in the two case areas. Chapter 5 also starts with a brief overview of the state of the art and, against this background, a number of statements or hypotheses are stated which are then tested in the subsequent sections. In much of the existing research, the fields of "entrepreneurship" and "family business" in tourism are not treated as separate fields, but rather as "facets of the same subject" (see e.g. Morrison 2006, Getz and Petersen 2005). However, although a number of

"overlaps" do exist between these two fields of research - as will become evident as we proceed through this part of the dissertation - for analytical purposes these two fields of research will here be deliberately kept apart.

One of the perceived benefits of the case-study approach, as argued in chapter 2, is that it allows for comparing the same type of business operation in different contexts and it is thus also considered a very useful tool for testing hypotheses (see e.g. Getz and Peters 2005). In chapter chapter 6 the aim is to argue for the usefulness of supplementing the deductive and economical approach applied in chapter 4 and 5 with a socioligcal theoretical base and an explorative and inductive approach to the generation of knowledge in order to further enhance our understanding of the applied research theme.

Chapter 4: Small-scale rural tourism businesses and family matters

As argued in the introduction, the aim of this chapter is to attempt through a deductive approach to gain a better understanding of the importance of the "family aspect" of the businesses studied empirically in this dissertation. The chapter is constructed in the following manner: section 4.1 provides a short overview of the state of the art of existing research about the family business in (rural) tourism; section 4.2 looks into a number of matters related to the organization of the businesses (size, type of business establishment, employment, ownership, etc.); section 4.3 discusses topics related to management, gender roles and responsibilities; section 4.4 looks into the involvement of the family in the daily operations of the businesses; finally, section 4.5 sums up and discusses the findings from this chapter.

4.1 State of the art and hypotheses

In this section we will present a short introduction to the existing research on the family business in rural tourism. However, given the limited research on this subject within rural areas as argued in section 1.3 (see also Carlsen et al. 2001), we will extend the review to focus on the "family business in tourism" on a more general basis, and draw particularly on the extensive overview of the state of the art of the family business in tourism conducted by Getz and Carlsen (2005). The aim of this section is not to provide a comprehensive review of this field of research but rather, as argued

elsewhere, to identify s*ome main characteristics* which will allow us to analyze the "family aspect" of the businesses studied in this dissertation.

Table 4.1 Family Business Themes and Topics in the Tourism Literature

Small and Family Business Operations	
Micro businesses	Thomas 1998; Bolin and Greenwood 2000; Middleton 2001.
Small/family business performance	Shaw and Williams 1987, 1990, 1998; Lynch 1996b; Cooper 1997; Boer 1998; McKercher and Robbins 1998; Klenell and Steen 1999; Nilsson et al, nd.
Cyclical demand; coping with seasonality	Brown 1987; Baum 1998; Lundtorp, Rassing and Wanhill 1999; Getz and Carlsen 2000; Getz and Nilsson 2004.
Family Business and Entrepreneurship	
Characteristics of entrepreneurs	Frater 1982; Mendonsa 1983; Getz 1986; Williams, Shaw and Greenwood 1989; King 1995; Morrison, Rimmington and Williams 1999; Getz and Carlsen 2000.
Are family businesses entrepreneurial?	Shaw and Williams 1998.
Motives and goals	Evans and Ilbery 1989; Hankinson 1989; Pearce 1990; Bransgrove and King 1996; Lynch 1996a; Shaw and Williams 1997; Opperman 1997; Fennell and Weaver 1997; WTO 1997; Ryan 1998; Thomas 1998; McKercher 1998; Ateljivic and Doorne 2000; Getz and Carlsen 2000; Dhaliwhal 2000; Nickerson, Black and McCool 2001; Nilsson et al, nd.
Roles and Responsibilities of Family	
Social elements	Stringer 1981; Long and Edgell 1997; Getz and Carlsen 2000; Lynch and MacWhannell 2000.
Family branding	Wanhill 1997.
Gender roles	Walton 1978; Armstrong 1978; Kousis 1989; Whatmore 1991; Dernoi 1991; Quinn, Larmour and McQuillan 1992; Kinnaird and Hall 1994; Breathnach et al 1994; Leontidou 1994; Garcia-Ramon et al 1995; Lynch 1996a; Cukier, Norris and Wall 1996; Sinclair 1997; Scott 1997; Long and Kindon 1997; Danes 1998; Jennings and Stehlik 1999; Caballe 1999; Velasco 1999; Gladstone and Morris 2000; McGibbon 2000; Apostolopoulus, Sonmez and Timothy 2001; Walker et al 2001.
Family Businesses and Development	
Destination development	Rodenburg 1980; Harrison and Leitch 1996; Lynch 1996b; Dahles 1998; Smith 1998; Getz and Carlsen 2000; Tinsley and Lynch 2001.
Sustainable development	Lynch 1996a; Neate 1987; Garcia-Ramon et al 1995; McKercher 1998; Twining-Ward and Baum 1998; Ateljevic and Doorne 2000; Carlsen, Getz and Ali-Knight 2001.
Location	Page and Getz 1997; Morrison 1998; Baum 1998; Nilsson et al, nd
Level of economic development	Lundgren 1973; Britton 1981; Harrison 1992.
Stage of development	Butler 1980; Din 1992.
Culture	Gladstone and Morris 2000; Fairbairn-Dunlop 1994; Getz and Jamieson 1997; Ryan 1998; Notzke 1999.

Source: Getz and Carlsen 2005.

Getz and Carlsen (2005) have, as formerly mentioned, conducted an extensive review of the literature relevant to the study of family businesses in tourism: they formulated a number of themes and topics as highlighted in table 4.1. In the eyes of the author, their review most clearly illustrates that the literature about family-run tourism businesses is highly dispersed, and that most of it is found implicitly within the wider literature about small businesses in tourism. One possible explanation for this may be that research into family-operated businesses in tourism is a relatively new subject, and the importance of such businesses within the small-scale tourism business environment has only recently gained recognition as a separate field of research (see e.g. Getz and Carlsen 2000).

Thus, in trying to determine key characteristics of family businesses in rural tourism, a central starting point might be to look in somewhat more detail into what characterizes a family business as such and how this relates to the more general concept of the small business in tourism. Page et al. (1999) argue that many studies of small businesses in tourism fail to address what actually constitutes a small business, and they also note the variety of definitions of small businesses that exists more generally (see also Storey 1994). It is thus not uncommon to find definitions of small businesses meaning businesses having "fewer than 10 employees", whilst others argue that a small business has "between 1-500 employees" (see e.g. Page et al. 1999). Thomas (2000) argues that: "What emerges from a full review of the small business literature is a panoply of definitions that are justified by their users on the basis of their value to particular projects" (p. 346). The term "micro-enterprise" refers to small and medium sized companies with fewer than 10 employees (Shaw 2004a: 124, Middleton 2001: 198).[93] Getz and Carlsen (2005: 240) referring to Bolin and Greenwood (2003) on the other hand argue that the term ''micro business'' has been applied to refer to businesses with fewer than four employees. Shaw (2004a) highlights that a range of studies shows that the majority of firms within tourism will fall under the category of micro-businesses, but that especially in the case of developing economies, few definitions have been applied.

In line with other authors Getz and Carlsen (2005) argue that it can prove difficult to distinguish micro-businesses from normal family operations. Both business units involve in most cases few if any paid employees, they require little capital investment and by and large generate very small amounts of revenue. Getz and Carlsen thus argue that family businesses in tourism will in most

[93] This is also the definition used by the European Commission (see e.g. Thomas 2000).

cases be micro-enterprises, but that, as with the term "small business in tourism", no commonly accepted definition exists. Getz and Peters (ibid.) refer to various studies and argue that several researchers have made "explicit reference to the weaknesses associated with small and family business ownership in the tourism industry" (p. 222). They thus quote a number of authors that point to specific problems, although most of them do not deal explicitly with problems related to family businesses.

Getz and Nilsson (2004: 17) refer to Sharma, Chrisman and Chua (1996, 1999) who comprehensively reviewed the literature on family businesses and came up with 34 definitions. Getz and Carlsen (2005) also refer to Barry (1975) who argues that in practice a family business is an enterprise controlled by members of a single family. In this respect Morrison (2006) refers to Carter et al. (2002) who found that a majority of small tourism businesses take the form of a partnership shared between spouses, immediate and extended family members. Getz and Carlsen (ibid.) also refer to Sharma, Chrisma and Chua (1996)[94] who argue that the theoretical essence of a family business lies in the vision of its dominant family members, and that this vision often is to use the business for the betterment of the family, also potentially across more than one generation. This definition they argue might thus include both one owner (sole proprietors) and businesses owned by a couple (often referred to as copreneurs).

Apart from the "smallness" or micro-size of most (rural) tourism businesses as discussed above, Getz and Carlsen (2000) suggest that there are at least four potentially important definitional considerations when defining a family tourism business, i.e. those of "ownership and control of the enterprise; involvement of family members; family-business interdependencies, and generational transfer " (p. 548). Getz and Carlsen (2005) follow up by arguing that although there are many similarities between the operations of small tourism businesses and family-operated tourism enterprises, there are also some important differences such as dealing with family issues, gender roles, ownership, the involvement of family members in the business and the evolution of the business within the family life cycle. They also highlight that a major element is that of goals and how the goals impact on business performance. Getz et al. (ibid.) argue that one of the core elements that distinguishes family businesses from other businesses is that normally they are *not* established on the basis of a desire to maximize profits and that the well-being of the family is

[94] The same definition is found in Sharma, Chrisma and Chua (1999).

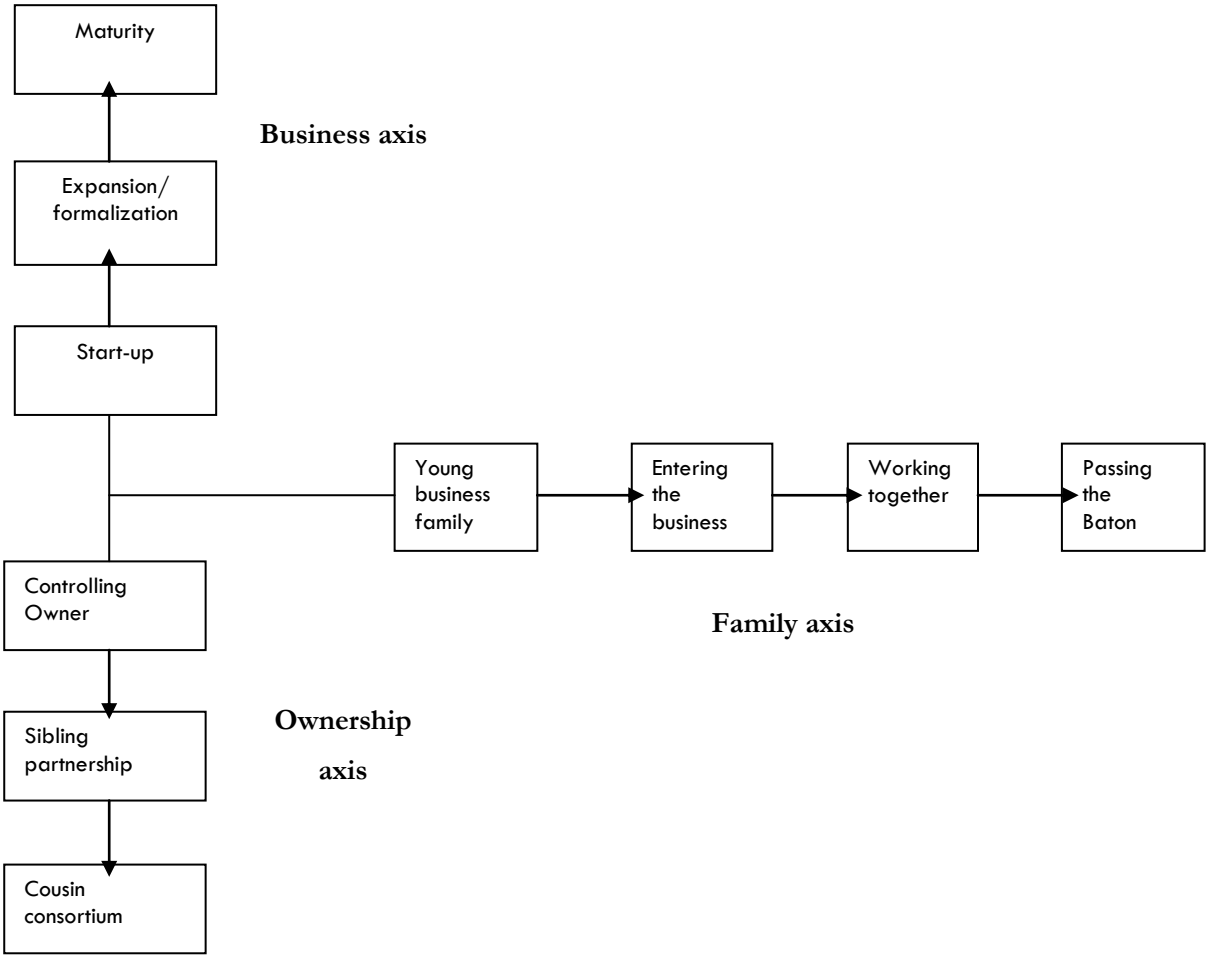
normally more important than growth. Getz and Peters (2005) found that unlike with the business arena in general and entrepreneurs more specifically, there is some evidence that in family tourism businesses, especially those stemming from farming, women often play a leading role (see also Ateljevic and Doorne 2000, Haugen and Viken 2008, Brandth and Viken 2005).

In line with Getz and Carlsen, Morrision (2006), referring to a number of authors, also recognizes the "smallness" (micro-size), gender roles, ownership structure and family involvement as central characteristics of the family business in tourism. She argues that family members in most cases are involved in a range of business operations, for example from general management to cleaning and catering, and that in many cases we are, as highlighted elsewhere, dealing with a husband-and-wife team (copreneurs) that tends to take all the decisions and ultimately deals with most of the work itself (in the cases when there are employed staff, most of them are part-time). With reference to the resource base of the family business in tourism and also the role of gender, Morrison (2006: 202) also highlights that a central characteristic might be the involvement of family members in "voluntary", "unpaid", or "unwaged" employment. Referring to a number of authors, she argues that just as gender roles are a dominant factor in families, this "is also reflected in the organisational structure of family business" (p. 200), and she argues that traditional family domestic gender roles are often transferred to the workplace. Morrison refers to Goffee and Scase (1995), who use the term "entrepreneurial family", and consequently argues that such family businesses function quite differently from the more normal Western pattern of business.

Getz et al. (2004) and Getz and Carlsen (2005) argue for the usefulness of applying the three-dimensional developmental model of family businesses by Gersick et al. (1997) in studies of family-operated tourism businesses (illustrated on the following page).

As the model suggests, the family business can exist in a total of 4 x 3 x 3 combinations (Neubauer and Lank 1998), and a specific family business can be at more than one stage on any of the three axes (Getz and Carlsen 2005). However, although family tourism businesses probably share several characteristics with other family businesses, there are also significant differences as discussed above. Not all family businesses either in tourism or elsewhere will go through the same stages of development or exhibit similar behaviour patterns, and Morrison (2006) referring to Goffee (1996) argues for example that differences will of course exist with reference to variations in "structures, cultures and life cycle stages of entrepreneurial families" (p. 202).

Figure 4.1 The development of family businesses in tourism



Source: Gersick et al. (1997); Getz and Carlsen (2005)

Getz and Carlsen (2005) also highlight that the model by Gersick et al. has yet to be applied to tourism and that, in the context of tourism, not all elements of the model are equally important. They argue that only a small number of family enterprises in tourism involve children or are inherited, which according to them makes the study of sole proprietors or copreneurs more important. Special attention should also be paid, they argue, to family businesses in tourism due to their higher rate of failure. A topic frequently debated in this respect is why the majority of small tourism firms remain small and micro in size (see e.g. Morrison 2006). In general, family businesses are, as argued in section 1.3, often assumed to be risk averse since they must place the security of the family over potential growth and, in a rural tourism setting where the combination of domestic and commercial activities is a common feature of family tourism businesses, this might be even more the case (see e.g. Carlsen et al. 2001, Morrison 2006). Getz and Carlsen (ibid.) also

argue that another characteristic of family-operated tourism businesses is that they are more often bought and sold rather than inherited as is normally the case with many "traditional" family businesses. Finally, with reference to the above they argue that the literature also suggests that the vision and goals of the founders are more crucial in family tourism businesses than in traditional family businesses, since only a minority go through a complete lifecycle process.

From the review above it is possible to identify a number of statements or hypotheses which on a more general basis should provide us with a good indication with reference to identifying the "family aspect" of the rural tourism businesses studied in this dissertation:

a) The majority are micro-sized and the tourism activity is in most cases a diversification of or supplement to the more traditional rural family income.
b) They are owned and controlled by one (sole proprietor) or more members of a family, and they are often formed as partnerships between spouses (copreneurs), immediate and extended family members.
c) The involvement of family members has been central both in terms of the start-up of the businesses and in the daily operation and might also play a key role in the survival of the firms.
d) Only a minority of the businesses involve children or are inherited.
e) The proportion of female owners and/or managers is high, and organizing tasks and areas of work breaks with traditional gender and role patterns.
f) The vision of the founder(s) is to use the business for the betterment of the family, potentially across more than one generation.
g) Motivation and goals are based more on choices to do with lifestyle and values rather than on growth and profit maximization.

Alone, none of these statements or hypotheses will give us a very complete understanding of whether the rural tourism businesses studied are family businesses or not. But on the basis of the statements and hypotheses it should be possible to get an *initial* understanding of the relevance and content of "the family aspect" of contemporary rural tourism businesses. In the following sections we will look into the first five statements. Given the extensive overlap between the family business and entrepreneurship in tourism, as visible for example in table 4.1 above, the statements and hypotheses dealing with the vision of the founder(s) and their corresponding motivations and goals

will be dealt with separately in chapter 5. The "family business aspect" is a theme which we will return to on several occasions throughout this dissertation, i.e. in chapters 6 and 8, and we will thus, again with reference to table 4.1, later also touch upon topics like "family branding", "social roles" and "development". As we proceed, we shall see that our understanding of the "family aspect" of contemporary rural tourism businesses is, with reference to the hermeneutical circle presented in chapter 2, gradually becoming more complete and more advanced.

4.2 Business establishment and ownership

The businesses studied in this thesis are in part characterized by the fact that they all fall under the category of micro-businesses, as they according to Shaw (2004a) and Middleton (2001), as stated in the preceding section, have fewer than ten employees. Most also fall under the category of Getz and Carlsen (2005), referring to Bolin and Greenwood (2003), according to which micro-businesses are ones having fewer than four employees. However, most of the owner-managers interviewed stated that it is difficult to provide the exact number of man-years because, as with the tourism industry generally, there are great seasonal variations in employment. As pointed out in the preceding section, however, there is no simple or generally accepted definition of what a family business is, and the aim in the subsequent sections is thus to try to shed light on "the family aspect" of the businesses studied in this dissertation and on aspects which are especially related to statement b) in the preceding section.

4.2.1 Traces of the family aspect in ownership and business establishment

Getz and Carlsen (2005) point out that the family dynamic generally is a central element in family businesses - even when there is a sole proprietor - because such businesses nevertheless usually involve other family members, and because such owners often must balance business and family interests. Whether the owners have a family is thus a key element in being able to assess the significance of the family at the businesses studied.

Table 4.2 Marital and family status

Country/owners	Single	Copreneurs	Family
Chile	0	0	12
Norway	2	2	7

The table shows that in the Chilean case, 100% of the businesses are characterized by the owners having family, i.e. that they are either married or co-habiting and have children together. In the Norwegian case, the corresponding figure is 64%. Two of the Norwegian initiatives are run by single people who have children but who did not live at home when the study took place, and two are run by couples who did not have joint children.[95] There are, in the main, two explanations for the difference between the two cases. The first is related to the fact, as pointed out in section 3.1.2.2, that aid for project development in the Chilean case has been aimed at families. The second is more generally linked to the fact that in Chile, and especially in Chilean villages, traditional family patterns are still quite prominent. For example, divorce is illegal and it is still difficult to care for children as a single woman in Chile. Overall, we may thus say that the majority of the businesses in both case areas fall under the category of "family" with reference to the table above, and none of the businesses are run by people who are "completely single", as everyone has either children or a husband/partner.

Of the 12 businesses in Chile, 100% are owned by proprietors who have a family, but so far only one enterprise has been formally established: the others are still run informally and have not been licensed or formalized as businesses: "We're working on a proposal to formalize the project as business units. We have to get it finished" (Miguel). In the Norwegian case, all the initiatives have been established either as an *enkeltmannsforetak*[96] or *AS*[97], with a preponderance of the former (72%). Concerning the initiatives established as limited companies, of which there were three, at only one the family did not own all the shares, while the other two limited companies are owned and run by copreneurs, in this case couples with no joint children. Concerning those businesses for which the physical infrastructure is key, such as the ones offering overnight accommodation, the summer pastures and sales premises for traditional handicrafts, all but two initiative in Norway are owned by the owner-managers. In one case, the infrastructure is leased.

In the Chilean case all the tourism businesses are owned by people and families born and bred in the Lago Budi area. This, of course, has to do with the special nature of the case: Lago Budi, which is

[95] One of the owners had children from an earlier relationship, but the children did not live at the owner's on a permanent basis.

[96] Sole proprietorship.

[97] Limited company.

an Indian development area and one of Chile's poorest municipalities (re. section 3.1.2.1), and the tourism project's ethnic and development-orientated profile (re. section 3.1.2.2), to a great extent preclude external actors establishing businesses. In the Norwegian case, however, there are 30% of the owner-managers who are not originally from Tinn and who will thus fall under a category which in tourism is often referred to as "lifestyle entrepreneurs" (see section 5.1). In the former section, we pointed out that family tourism businesses often distinguish themselves from other family businesses in that they are more often acquired than inherited, and regarding the businesses studied in this thesis, this element can be summed up as follows in the table:

Table 4.3 Acquisition of the initiatives

Country/acquisition	Inherited	Acquired	Established by current owner
Chile	0	0	12
Norway	2 (2)	2(2)	7

We can see that in the Chilean case, 100% of the businesses have been started by the owners, and they are characterized by being fairly newly established. In the Norwegian case, the factors concerning inheritance, acquisition and new start-ups are somewhat more complicated. We can see that two businesses have been ***inherited,*** and are also characterized by the fact that previous generations also had tourism as a livelihood: "Mum and dad also worked with tourists, so when you're born into it it seems a natural enough thing to do" (Heidi). Often however, the current owners have developed the business and run it today with a different kind of tourism than for example their parental generation did. In addition to these two, we have bracketed two more businesses. This is to illustrate that the infrastructure or the place itself has been inherited (farm buildings and similar), whilst working with tourism in a more business-conscious fashion has been initiated and developed by the current owners. Two of the Norwegian businesses have been ***acquired*** and remain run as tourism businesses, whilst two (bracketed) are characterized by the infrastructure and suchlike (e.g. farm buildings) having been bought at places where the former owner(s) did not work with tourism. To sum up we may say that 81% of the business owners have started up their current tourism business, and only 9% of the businesses have been bought as an already established tourism business. A study by Getz and Carlsen (2000) of rural Western Australia illustrates some of the same figures. Of the 198 respondents to their inquiry, 83% had

started up the business (44% within the last five years), and only 4.2% had inherited the business (p. 557).

In the former section we also pointed out that family businesses are often established as a supplement to or as a diversification of the family's existing livelihood. In section 3.1.1.2 we pointed out that rural tourism in Chile is regarded and used to a great extent as a supplement to or diversification of traditional farming, and we can also see this reflected in the initiatives working with tourism in Lago Budi, as they to a greater degree than in the Norwegian case are a diversification of the family's traditional rural livelihood.

Table 4.4 Diversification of primary industry and independent initiatives

Country/Initiative	Supplement to traditional farming	Independent initiative
Chile	10	2
Norway	6	5

We can see from the table that in Chile, 83% of the initiatives have thus been established to supplement existing farming, whilst in Norway the corresponding proportion is 55%. The difference here must however been seen in light of the fact that the primary industries are still more central in Chile than in Norway.

4.2.2 Do the owner-managers define themselves as family businesses?

The content, understanding and use of the term " family business" varies between different countries, and Barley (2001) for example points out that in some countries the term is neither used nor understood. In this context it is thus interesting to look at the way in which the various owner-managers themselves assess the family aspect, and we can see that here there are interesting differences between the two case areas. However, whereas the majority of the owners in the Chilean case **explicitly** express that they are family businesses - "We are a family group organized as a unit, and we are the ones responsible for this" (Miguel) - the family element is far more **implicit** in the Norwegian case. The fact that the majority (72%) of the Norwegian businesses have been established as sole proprietorships as pointed out in the preceding section, leads to them thinking of themselves as a family business only to a small degree, such as in the following situation when the owner was asked whether the family takes part in the enterprise: "No, not really. This is a one-man

business and either I have to stick to that level or else I'd have to really go for it and market myself more, and have temps." Here we can see the way in which the owner thinks of herself mainly as a one-man business, and therefore also excludes the "family". For the person concerned, imagining the family taking part would be synonymous with really having to "go for it" and thus develop the business, which, she says, she neither wishes nor can see any basis for. Thinking of the business as a "family business" is thus for the owner concerned a completely alien thought, but this does not mean that the family does not help out or play key roles. Later in the interview it emerges that the family and not least the husband do help out in several ways, including doing the books: "Me and my husband do the accounts. Arne is better at it than me because he worked at a bank for many years, so he does help out in fact. Absolutely" (Laila).

It is also interesting to notice how most of the initiatives in the Norwegian interviews mix the first person singular and plural, and the way in which this reveals that in many contexts the initiative does think of itself as a family business, although they express the opposite when asked directly, because when they say "we" it is the family to whom they are referring. Most of the interviews thus commence using "I", but swiftly change character: "It was in 2001 **I** started there (...) So it's the sixth season **we** are there now." Or: "I think **I** got 40% of the total investment (...) **We** had to put in new sewerage, new windows, restore the place. And that takes time, and **we** tried to do it up so it looked old. **We** tried to get it back to its (…) Ripped off the panelling to show off the timber walls and suchlike. But **we** got aid and that was good" (Lena). By virtue of the Norwegian empirical material we may thus see a host of examples of the way in which factors concerning start-up, support for start-ups and suchlike are related to the business, the sole proprietorship, and are referred to in the first person singular, but when for example the place itself and the content are spoken about, this is often indicated using "we", thereby referring to the family. That the business has been established as a sole proprietorship thus often seems to lead to the owner-managers not thinking of themselves or considering themselves to be a family business, and we will later shed light on how this also leads to them not being aware and therefore not emphasizing the commercial value of the family members' efforts.

4.3 Management, gender roles and responsibilities

As pointed out in section 4.1, another element which helps identify key aspects of family-run tourism businesses in outlying areas is the high proportion of women owners and managers, and appurtenant gender roles and division of responsibilities. Via case studies from different parts of the

world, a number of researchers have pointed out the high proportion of women running micro tourism businesses (see e.g. Cukier et al. 1996), and it is interesting to notice that in both the Chilean and Norwegian cases the proportion of women owners, and not least women managers, is high. The dissertation demonstrates that looking at who manages the business is a better indication of gender roles than looking at who is registered as the owner of the business. As pointed out above, tourism is often a diversification of existing farming, and the tourism activity which takes place is not always a separate legal entity. Traditionally and in practice, in Norway for example the farm is most often registered to the man of the couple, whilst managing the tourism business is often done by a woman. This is also confirmed by a number of earlier studies which suggest that farm tourism businesses are, in general, run by women family members (see e.g. Busby and Rendle 2000). When we thus look at who manages the businesses studied in the sense of who is responsible for the daily operation, this can be summed up in the following table:

Table 4.5 Management of the tourism businesses in the two case areas

Case/Management	Management		
	M	F	M/F
Chile	6	5	1
Norway	3	6	2

The table indicates that in the Norwegian case, 55% of the tourism businesses are led by women and 27% by men. In one of the cases, both parts of the couple are considered to be just as key in the running and managing of the business. In the Chilean case the proportion of women managers is also relatively high, at 42%, which must be seen in light of the fact that the proportion of women managers of businesses in Chile is generally very low. At the end of the 1990s for example the proportion of women managers stood on average at only 7% for all business nationwide and only 3% for big businesses (Nordbø 1998). Furthermore, it is also relevant to take into consideration that regarding rural areas in Chile, only 22% of the female population over 18 years of age is in paid work, compared to 46% in urban areas (Centro de Estudios Publicos 2002).[98] In comparison, women constituted 47% of the work force in Norway, while only 29% of all managerial positions are held by women: among top management, the figure is only 23% (SSB 2006d).

[98] If the age group 15-18 years of age is included, the proportion of working women nationally falls to between 34 and 39% depending somewhat on how it is measuredInkluderes aldersgruppen 15-18 år faller andelen yrkesaktive kvinner på nasjonalt nivå til mellom 34 og 39 % litt avhenging av hvordan det måles (see e.g. INE 2006a og b), and the proportion of working women in rural areas to 19% (INE 2006a).

In Norway generally a great majority of newly established businesses are sole proprietorships, and each third one started in 2004 had a woman owner (Falnes-Dalheim et al. 2004). Women who establish businesses often start up within health or social services, education and other social and personal service industries - like tourism. Women who set up sole proprietorships also generally possess higher education than men who start up such businesses. Falnes-Dalheim et al. (ibid.) point out that now there are more women starting up businesses than owners of existing sole proprietorships, so this may mean that women more often than earlier set up such enterprises, but it may also mean that men succeed to a greater extent in establishing them and that women give up underway. This is an interesting and multifaceted aspect that we will return to in part 3 of the dissertation, especially in section 8.4.2.

As argued in section 4.1, a number of researchers point out that another characteristic of a family business is that domestic gender roles are often transferred to the workplace. It is therefore fascinating to observe that in both the Chilean and Norwegian cases, interesting examples emerge of the way in which the woman partner in the family running the business leads to the man taking care of tasks which traditionally have been defined as a woman's area of responsibility. In Chile, attitudes to family and gender are still relatively conservative, reflected for example in the fact that 42 % of the population – including urban areas – believe that women who have pre-school children should not work outside the home (Centro de Estudios Publicos 2002). Therefore it is for example interesting that several of the women owner-managers in the Chilean case highlight that their tourism businesses have contributed to a certain change in traditional gender roles and responsibilities. Paula, who runs a small cafe selling traditional Mapuche food, points out that her husband makes an important contribution to running the business as he takes care of the kids, does the vegetables and washes up, and talks and entertains the guests while she does the food. Also in the Norwegian case, we can see that the husbands, especially during the peak seasons, take greater responsibility for more traditional female roles like childcare, cooking, etc. Otherwise, also typical of the initiatives in the empirical material which are mainly managed by the woman of the couple is that the men do practical chores and look after aspects of the business which involve less daily management or direct customer contact. Areas which were emphasized here include maintaining outdoor areas and physical infrastructure such as buildings and equipment, technical facilities like computers and electricity etc. Such tasks, we may argue, have traditionally most often been the domain of men. Concerning the studied initiatives managed by the husband or male partner, they were characterized by the fact that the man took most of the functions and roles upon himself, apart

from making food, cleaning and looking after the children. To sum up, we may say that the initiatives managed by men were characterized by more traditional role patterns and division of responsibilities than the initiatives managed by women.

4.4 Family involvement in the daily operations of the businesses

As pointed out in section 4.1, "involvement of family members" is one of the key areas in the understanding and definition of what a family business is. Getz and Carlsen (2000) point out that it may even be the most important. That the family is involved in the tourism businesses in this study has been exemplified in section 4.2 and the following quotes also help shed light on the significance of the family in terms of both operation and development: "Personally I haven't had any project financed by any one from outside the family. All that you see has been done by the family ourselves. Me, my wife and my son. And with help from my mum" (Sergio); "and I've had Gry Elin along with me as well, the youngest girl has been along in the summers mostly with her horses as time went by" (Lise Lotte).

We have already mentioned in some of the preceding sections that the family, and especially the husbands or wives, are a key and vital part of the labour of the business. If we first concentrate on the Chilean case, we can see that concerning Mario, who offers excursions and guided nature trips and who also has a mini zoo with rare birds, his family helps out by tending to and feeding the birds, serving food and by doing other pressing chores. Liliana who owns a little shop selling traditional handicrafts points out that her family (daughter and grandchild) help out by making handicrafts which they sell, such as small wicker baskets, simple instruments and suchlike. Her husband supports and helps her by doing practical repairs and chores at the business. Claudia N. and Claudia L. recount that their sons assist with the traditional dancing when they arrange joint cultural activities, and that they help with serving food, serving customers, running errands, etc. Claudia L. also has a niece living with her who helps out and dons traditional garb and performs at joint tourism activities, and that her eldest son helps market the business: "They've always been involved with me, both of them. Especially the eldest one. He's always worked with me, my eldest. Now he's really helping me spread information." Claudia N. also recounts that her husband helps out by doing some practical chores and for example in that he skippers the boat when they take the tourists out on Lago Budi. None of the family members in the Chilean case gets paid a fixed wage, but in some cases the family members are recompensed on an ongoing basis for the job and the chores they do. Claudia N. recounts for example that she pays her husband cash after each boat trip and that her

sons get money for the products they have made, which she believes will also motivate them to make even greater efforts: "And my family, they do their work, make some "yugos"[99] and they make their wooden masks, and suchlike. So if any of this gets sold in the ruka[100] it's money in their pockets. And what's mine and is sold, that's my money. All the small things which they sell, if they get sold, means money for them. Because you have to motivate them in this way, so they can form an awareness of tourism, get interested in it (...) So they can make some resources and earn a bit of money." Juan who runs a small Mapuche hostel points out that there are five of his family who work together and recounts that his wife is mainly responsible for making food and serving it, cleaning and other "domestic" tasks. Juan has grown-up children but points out that one of his daughters is studying to be a tourist guide in Santiago. Arturo who runs a little Mapuche cultural centre recounts the following: "So we've been doing this for four years now, with the family. My wife, five kids, the parents and also my brother who's married and has a family." Juan also recounts that his wife and daughters help make handicrafts, dance for the guests, make food and serve it. He also says his mother has been very important in the project as a disseminator of traditions: "As well as my mother who knows a lot about the culture, a whole lot. She's been really important to our project, and she can sing in Mapuche. She sings and improvises, she doesn't sing given themes, but improvises underway." Some of the business owners point out that the kids are still too small to help out, whilst others express that they would rather the children become more involved and interested. We shall return to this element in part 3 and section 8.4.3.

Regarding the Norwegian case, in section 4.2.2 we have pointed out that the businesses, typically, do not think of themselves as family ones, which is linked to the fact that very many of them were established as sole proprietorships. Nevertheless, as already mentioned we can see that when all is said and done, the family does in fact make a key contribution, even at the sole proprietorships. Laila who runs a small guiding business answers a definitive 'no' when asked if her family has any role in the business, but on reflection she nonetheless points out that: "In fact the family does help out, they do, because with me working in this industry, I might have to get on a bus there, and they might be continuing to Stavanger so I stay on as far as Møsvatn and get off there. And then of course someone has to fetch me and that would be my family." At some of the other businesses, the husband contributes by doing maintenance of the outdoor areas and of various pieces of the internal and external infrastructure, and helps make and spread information material. Heidi who runs a

[99] A yoke to bind cattle by the horns.

[100] A ruka is a traditional Mapuche dwelling.

summer pasture focusing on traditional food and experiences tells: “Trond Arne does it, he hands them out, you see. He’s been out and about leaving brochures in the area.” Regarding the summer pastures studied in the dissertation, they are characterized by the family often moving up to the pasture in the season, and where the husbands thus often play a key role as a link between the summer pasture and the local community: ”And if I need provisions, he has to bring them up. So he’s here a lot, but there’s also a lot of rushing up and down the mountain” (Theodora). It is the family (spouses, children, siblings, parents and in-laws) who are the primary and key source of labour for most of the businesses: ”It’s me and my husband, and then mum and dad in the summer” (Lena). In addition, a number of the businesses employ schoolchildren on a short term basis in the summer season: “In the summer we have three employees, plus my own family. My husband and our two daughters, I mean. They’re here if they’ve got the chance” (Theodora). However, the problem that a number of the people interviewed point out is that schoolchildren are not always that stable and as far as a number of the initiatives are concerned, these schoolchildren need to leave relatively early on in the season, and then of course one has to fall back on the family’s help: "Because of course the ones working here are schoolchildren, and they have to up sticks. Two of the girls are leaving tomorrow, and my mother-in-law is thinking about coming up here, my mum too” (Lena). Although many of the initiatives say that the family gets paid for its work, a lot of the work is unpaid which in section 4.1 was pointed out as a characteristic of family businesses. Leif who offers farm holidays tells that both his wife and the kids participate in the business in their own way, and that his daughter for example has helped out with the cleaning: “Kristin’s done a lot of cleaning up there” (Leif). Lise Lotte, who as mentioned runs a farm with animals, expresses that both the children and the grandchildren have contributed to the business throughout the years, in part by welcoming day guests when she has been out leading the riding excursions on the mountains with other tourists. Lena who runs a tourist cabin which she leases from the Norwegian Trekking Association recounts that help from family and friends in the form of labour has been key: “I have had the support of my family and friends. Worked for me for free”. She proceeds by pointing out that her family and friends were often there for her during the initial years of the business and without their contribution she would never have got the enterprise onto its feet: “Mum, dad, my brothers and loads of friends who were there. Mum was there all the time, dad when he had the chance. So without them I would have never managed. They are the ones who helped build it up and make it as nice as it has turned out.” Concerning the other Norwegian businesses, we have two run by copreneurs and both couples are in-migrants who have no family nearby to help them out. It is thus also interesting to note that neither couple has children living with them, and that working

with tourism, which we shall return to in chapter 5, is a part of a more wide-ranging lifestyle project. We may thus see that there are two key areas in which the family's contribution seems to be prominent, namely as direct labour (both waged and unwaged) and as a "gopher", i.e. that they help by doing practical and typical chores such as bringing provisions, making websites and suchlike. In addition several of the business owners point out that their families are important boons as disseminators of tradition and sounding boards in specific situations.

4.5 Summing up

In this chapter our attention has been focused on a number of characteristics of the individual initiatives in the two cases in terms of the type of business, management form, role patterns and the family's contribution, to approach an understanding of the extent to which the initiatives in the two cases can be characterized as family businesses and what would thus characterize them. We have taken our point of departure in a deductive approach and, based on existing research and theories, have postulated a number of claims or hypotheses about "typical" characteristics of family businesses within (rural) tourism.

One of the characteristics was linked to family businesses in outlying areas often being micro-businesses and that tourism is often a supplement to the family's traditional livelihood. The empirical studies conducted in the dissertation thus show that all the businesses in this thesis are micro-businesses and 68% are characterized by being diversifications of the agricultural activities which have been the family traditional bread and butter. The businesses are, with one exception, owned by one or more members of family, with a preponderance of sole proprietorships. Even in those cases involving sole proprietors, we have pointed out that the family aspect is nevertheless central: first, in that none of the owners is single or childless, which implies that they in some form or another must get the operation of the business and their involvement in it to attune with the family; second, the family aspect is also central in that the family in various forms has been a central contributor to the business, for example in terms of start-up and daily operation. We can also see that in both case studies, the proportion of women owners and managers is high and higher than the average for other businesses and industries. As argued in section 4.1, a number of researchers point out that family businesses are also characterized by traditional domestic gender roles often being transferred to the workplace, and it is thus interesting to observe that although this pattern has also been observed at some of the studied businesses, a number of the owner-managers in fact

report the opposite situation. The fact that the women manage the business seems to have compelled the man to assume more traditional woman's work, such as childcare and housework.

We can conclude that the family does play a certain role at the businesses studied, but one could ask whether the above observations entitle the businesses to the label of a "family business"? There is no simple or common definition of what a family business is, and as pointed out, Sharma et al. (1996, 1999) in their study came up with no less than 34 different definitions. To put it bluntly, we may thus argue that what characterizes a family business will by and large stand and fall depending on which definition one selects, which for instance becomes clear in the following example: "All of the firms in the database were defined as family firms because two or more people with the same last name were either officers, directors, or employees" (Ward and Dolan 1998: 305). A shared surname may in reality be a mere coincidence and may not necessarily imply any kinship.

Whether a given rural small-scale tourism firm can be characterized as a family business may be approached from different perspectives. As argued in section 4.1, Chua, Chrisman and Sharma (1996) argue that the theoretical essence of a family business lies in the vision of its dominant family members, and that this vision "is to use the business for the betterment of the family, potentially across more than one generation" (ibid.). However, we discovered that in the Chilean case, the owner-managers were very conscious of their being family businesses, and there was also a rather clear vision to use the business for the betterment of the family, but that the owner-managers in the Norwegian case did not think of themselves as family businesses. This, we argued, has to do with the fact that "family business" is a terminology which is not frequently used in Norway, combined with the fact that most of the firms have been established as sole proprietorships, whose ring implies that the owner-managers see themselves as just that, sole owners. The business vision of these Norwegian owner-managers was thus clearly more individualistic, "my company", "my income", etc. Not that there not was a family vision, but it was as argued much more implicit. Furthermore, the family aspect manifested itself in a number of other ways, for instance in the sense that having time to be with the grandchildren was considered more important than growing the company.

As highlighted in section 4.1, Barry (1975) has argued that at the most basic level a family business is as an enterprise controlled by members of a single family. If we apply this understanding to the businesses studied in this thesis, all of them could be characterized as family businesses, and even

at the only business which had been established as a limited company (AS), 100% of the shares were owned by the owners and managing copreneurs. However, if we follow the definition of Chua, Chrisman, and Sharma (1999) who define a family business as "a business governed and/or managed with the intention to shape and pursue the vision of the business held by a dominant coalition controlled by members of the same family or a small number of families in a manner that is potentially sustainable across generations of the family or families" (p. 25), the Norwegian sole proprietorships would not be family businesses. But does the fact that they have been established as sole proprietorships make them less of family businesses? In the preceding sections we have seen that the businesses in the two cases, independent of start-up form, share many of the same challenges and problems and that the family's significance and involvement have been and are key.

The problem with the definition mentioned above may be solved if we choose to take our point our departure in Getz et al.'s (2004) understanding which points out that "The 'Family Business' consists of any business venture owned and/or operated by an individual, couple (s) or family" (p. 5). Thus, in many existing studies of family businesses in tourism, sole proprietors are included in the definition. However, are all sole proprietorships family businesses? Not necessarily. If the sole proprietor is single – i.e. childless and partnerless – as is the case with many young entrepreneurs, family matters might not be very relevant. In this dissertation sole proprietors have as argued been included, but the ones studied did all have families, i.e. either children or partners who participated in the business or were considered in terms of business development or inheritance. Thus, we could argue that all the firms studied in this dissertation can be characterized as family businesses as the business is either owned by a single family and/or managed by a family or members of a family, and that the family is also important in a number of other areas, such as in the wish to use the business for the betterment of the family's economic and social situation or the involvement of family members as a formal and informal work force. However, as argued, whether a business may be defined as a family business or not clearly depends on the applied definition, and in chapter 6 we will return to a more profound discussion of what this might imply in terms of questions of representativeness and validity.

Getz et al. (2004) and Getz and Carlsen (2005) argue, as discussed in section 4.1, for the usefulness of applying the three-dimensional developmental model of family businesses by Gersick et al. (1997) to studies of family-operated tourism businesses. However, with reference to the research conducted in this dissertation, the suggested model does not suit very well the situation of small and

micro-sized rural tourism businesses. For instance, regarding the model's suggested "business axis" the studies undertaken indicate that most of the businesses never make it beyond survival, and that among those who make it to the maturity stage, tourism is either a supplement to or supplemented by other sources of income. Furthermore, regarding the "ownership axis" the research indicates that most small and micro-sized rural tourism businesses never pass the first stage, that of "controlling owner". Finally, regarding the "family axis" we can see, with reference to the conducted analyses, that we can find businesses within all categories, although the majority, again, are to be found within the first category, that of "young business family". Thus, we could argue that there seems to exist a number of differences which separate small and micro-sized rural tourism businesses from other family businesses, and Getz and Carlsen (2005) argue that the literature thus suggests that the vision and goals of the founders are more crucial in family businesses within tourism, since only a minority undergo a complete lifecycle process. This is one of the factors about which we will draw conclusions in the following section.

Chapter 5: Small-scale rural tourism businesses and entrepreneurship

As argued in section 1.3, within the existing research into small-scale tourism businesses and family businesses more generally, there exists a preoccupation with their entrepreneurial and innovative capacity, a capacity which we have argued is perceived as fundamental for both business and rural destination development and thereby also for the role of small-scale tourism businesses as catalysts for rural development. Thus, on the basis of existing research and studies of entrepreneurship and innovation in tourism, the aim of chapter 5 is again through a deductive approach to attempt to gain a better understanding of the entrepreneurial and innovative aspects of the businesses studied in the two case areas. Section 5.1 starts with a brief overview of the state of the art of entrepreneurship in (rural) tourism; section 5.2 analyzes the visions, motives and goals expressed by the owner-managers in terms of both business start-ups and future development; section 5.3 then looks in more depth into central aspects of entrepreneurship and innovation with reference to the studied businesses; finally, section 5.4 summarizes the findings.

5.1 State of the art and hypotheses

In this section we will present a short overview of the state of the art of existing research into entrepreneurship in rural tourism and also look into some possible understandings of innovation in tourism. However, since this research, as with the research into the family business in rural tourism, is quite limited and often implicit, we will also extend the review to focus on "entrepreneurship in tourism" on a more general basis when this is necessary. The aim is not to provide a comprehensive review of this field of research but to identify some main characteristics which will provide us with a frame of reference as to the entrepreneurial and innovative capacity of the rural small-scale tourism businesses studied in this dissertation.

Shaw (2004a) argues in line with Thomas (2000) that there are definitional problems associated with the boundaries of small firms in tourism and that the same applies to what constitutes an entrepreneur (see also Bolton and Thomson 2003 and Barrow 1998).[101] And as with the concept of "family business" as argued in section 4.1, there is no universally accepted definition of

[101] The root of the word 'entrepreneur' comes from the French verb *entreprendre*, which means 'to undertake' (Couger et al. 1990).

"entrepreneur" or "entrepreneurship": despite the extensive amount of published research and literature, a generally accepted theory has never emerged (see e.g. Ripsas 1998, Lordkipanidze et al. 2005, Getz et al. 2004). Often an entrepreneur is considered someone who is capable of taking advantage of a business opportunity and bears risks and uncertainty. Bygrave (1993) describes an entrepreneur as someone who simply "perceives an opportunity and creates an organisation to pursue it" (p. 257 cited in Faulkner 2003: 227). Faulkner (2003) argues however that this definition might stifle and understate the proactive actions of entrepreneurs as this definition implies that the entrepreneur passively waits for opportunities to appear. He thus argues that "many entrepreneurs go beyond this by actually creating their opportunities" (p. 227). Bridge et al. (2003) stress that there are no objective benchmarks of what represents entrepreneurial activity and that it will vary according to societal and economic agency norms.

Recognizing the importance of entrepreneurship in tourism is from the last two decades, and the research is still limited. Shaw (2004a) argues that the first spate of studies of entrepreneurship in tourism focused on "rather general perspectives on the role of transnational enterprises in developing economies" (p. 122). However, the research was soon faced with the fact that in most tourism economies there are few transnational companies and they operate within an environment dominated by a range of small and micro enterprises. Thus, the second spate of studies was concerned more with the role of the small business and was based on a series of case studies (see e.g. Shaw and Williams 1987). From the late 1980s, entrepreneurship within the small business sector became more closely researched in tourism (see e.g. Page and Getz 1997, Buhalis and Paraskevas 2002, Dahles and Bras (eds.) 1999), and the debate was increasingly centred on the concept of lifestyle entrepreneurs (see e.g. Ateljevic and Doorne 2000, Getz and Nilsson 2004, Getz and Carlsen 2000). Research from recent years also demonstrates a tendency to make the research more diverse, for example concerning the relationship between entrepreneurs and sustainable tourism (Lordkipanidze et al. 2005), entrepreneurs and networks (e.g. Tinsley and Lynch 2001, Pavlovich 2003) or as in the studies by Faulkner (2003) and Russell and Faulkner (2004) which argue for the usefulness of chaos theory as a frame for studying tourism's entrepreneurial performance. However, we could argue that the research into entrepreneurship in tourism, as with family-run tourism businesses, is highly dispersed and that most of it is has its point of departure in the more general literature on entrepreneurship and small businesses.

From a Western perspective, entrepreneurship has its roots in classical economics literature as found in the seminal research by authors such as R. Cantillon (1680-1734), J.B. Say (1767-1832) and J. Schumpeter (1883-1950). Schumpeter (1934), who undoubtedly is the most cited of these authors, approaches entrepreneurship from a normative perspective, arguing that entrepreneurs seek business objectives such as profit and growth. Shaw (2004a) argues that the traditional notion of entrepreneurs as "innovators" in the Schumpeterian sense or as a "business profit seeker" as seen by Kirzner (1973), is not characteristic of most of the small-scale tourism entrepreneurs, and especially not with reference to the case of small-scale rural tourism entrepreneurs where the family aspect, as identified in the preceding chapter, seems to play a central role. Shaw (2004a: 127) argues that, taking into account both earlier and current research, a number of different types of small-scale tourism entrepreneurs can be identified, including:

- the artisan, lifestyle entrepreneurs whose motivations are characterized less by profit and more by other non-economic factors (see e.g. Getz and Carlsen 2000). Shaw and Williams (1998) identified two subgroups here:
    - The "non-entrepreneurs", who were distinguished by normally having taken early retirement to a tourism destination and who were not focused on developing their business. Their motivations were on obtaining a certain type of lifestyle that worked well with their semi-retired status. They used family resources, came from a ''blue-collar'' background, and engaged in limited product development and marketing.
    - The more ethically bound lifestyle entrepreneurs, who fit with the type identified by Ateljevid and Doorne (2000). The ethically bound lifestyle entrepreneurs were focused on developing niche tourism products and also had strong interests in environmental issues. In most cases they were also younger people, who to some degree shared some of the characteristics of what Shaw and Williams (1998) label the "constrained" entrepreneurs. Constraints may relate to the lack of capital but could also be an unwillingness to develop and compromise on lifestyle goals (such as staying within ethical boundaries, in most cased related to environmental issues).
- Business-oriented entrepreneurs are mainly motivated by factors related to economic growth and profit. The business-oriented entrepreneurs are entrepreneurs in the Schumpeterian sense and are capable of growing their business, but they are also often constrained by various financial barriers (see e.g. Getz and Peters 2005).

Getz et al. (2004) argue that it is vital to understand the businesses motivations, goals and visions and similar, particularly as they might affect business viability and wider economic and community development (p. 11-12). In this respect Morrison (2006) argues that one of the unique aspects of the tourism industry is that it maintains a solid and consistent appeal to those individuals seeking to combine commercial and domestic activities. Getz et al. (2004) argue that one of the core elements that distinguishes family businesses from other businesses is that they normally *are not* established on the basis of a desire to maximize profits and that the well-being of the family is normally more important than growth. Morrison (ibid.) thus argues that within the context of entrepreneurship, family businesses may mesh domestic and business dimensions towards the attainment of lifestyle goals, and particularly in rural and peripheral locations, the maintenance and protection of a certain lifestyle might be prioritized over a commercial focus on profit maximization. The study by Bransgrove and King (1996) for instance indicates that lifestyle goals were twice as frequent in rural areas. Getz and Carlsen (2000) also found that almost three-fourths of the rural tourism operators in their Australian study started in business due to motivations other than business investment, and in their study of family tourism businesses on the island of Bornholm, Denmark, Getz and Nilsson (2004) found that as many as 90% of the tourism firm owners' motives were non-economic. Morrison (2006: 199) refers to Andrews, Baum and Morrison (2001) who summarize the following range of lifestyle-related cues associated with entrepreneurs providing tourist accommodation:

- a desire to meet people and act in the capacity of a host while still maintaining a relatively unencumbered lifestyle;
- an aspiration to live in a place that has natural scenic beauty;
- a wish to inhabit a residence and/or live at a location that might be outside of the normal price bracket of the proprietor's assets and income;
- the rejection of the perceived "rat race" of modern urban living while having built up sufficient assets/capital in previous livings to move without a significant burden of debt to a peripheral location; and/or have the objective to operate a commercial concern which does not demand 12-month attention but benefits from the effects of seasonality.

In this respect Markley and Macke (2002) also recognize and discuss three types of rural entrepreneurs: Growth Entrepreneurs, Lifestyle Entrepreneurs and Survival Entrepreneurs. We can also see that some of the same categorizations are used by Morrison (ibid.), who argues that

providing a complete list of entrepreneurial behavioural cues might be futile and that it may be just as fruitful to categorize them as either "opportunity entrepreneurship", i.e. taking advantage of a lifestyle or market opportunity, or "necessity entrepreneurship", pursuing the best and often only option available. Inherent or related to the research into lifestyle entrepreneurs is thus also the question of migration, referring to the fact that people might move to a certain rural location in search of fulfilling certain lifestyle preferences and that establishing and running a tourism business might thus be the economic mainstay to fulfilling this objective (see e.g. Getz and Carlsen 2005). The findings of Williams, Shaw and Greenwood (1989) revealed that in the case of Cornwall, less than one-third of tourism business owners had been born in the region.

In general the entrepreneurial, small business in tourism is characterized by factors such as economic marginalization, informal management, few formal marketing strategies, short term planning span, low skills within and knowledge about the tourism business, very different employment experiences and a diverse range of motives/motivations (see e.g. Page et al. 1999, Shaw 2004a, Getz and Carlsen 2005, Thomas 2004). As argued in section 1.3, within the academic field of studies related to family businesses and entrepreneurship in tourism there is a general preoccupation with the entrepreneurial and innovative capacity of small-scale rural tourism business. A number of authors thus argue that the small business culture, the lifestyle and family motivations, the limited capital, lack of skills and insufficient tacit knowledge and the acceptance of suboptimal profits, constrain rural and business development and threaten the survival of the firms (Shaw & Williams, 1987; Morrison *et al.*, 1999, Morrison 2006, Getz et al. 2004, Decelle 2004).

The above review thus illustrates the point made in section 1.3 - that what in most cases seems to distinguish entrepreneurs in (rural) tourism from the more general entrepreneur is that their business motivations and goals are often determined by lifestyle preferences rather than growth and profit, and that their innovative capacity, especially when the family aspect is central, is perceived as low. Thus, this chapter sets out to investigate this empirically by testing the following statements or hypotheses regarding small-scale rural tourism businesses:

a) Motivation and goals are based more on lifestyle choices and values than a desire for growth or the maximization of profit.
b) The degree of innovation is low.

However, how can we determine whether a given business is innovative? As with the concept of "entrepreneur" and "entrepreneurship" as argued above, a great variety of definitions exists of the term "innovation"[102] (see e.g. Decelle 2004). Weiermair (2004: 2) introduces the definition of Schumpeter (1997) with reference to the tourism context, which identifies five areas in which companies can introduce innovation:

1. Generation of new or improved products.
2. Introduction of new production processes.
3. Development of new sales markets.
4. Development of new supply markets.
5. Reorganization and/or restructuring of the company.

Weiermair (ibid.) argues that the usefulness of the above definition is that it among other factors "clearly distinguishes innovation from minor changes in the make up and/or delivery of products in forms of extension of product lines, adding service components or product differentiation" (p. 2), and as such it might also prove useful in identifying the entrepreneurial and innovative capacity of the businesses studied in this dissertation. In this respect Hjalager (ibid.) argues that "innovation" is a rather pragmatic term which can also include minor adaptations of existing products and services and that this broad definition might be useful in describing what often goes on in tourism. She thus introduces the model of Abernathy and Clark (1985) which illustrates four types of innovations: regular, niche, revolutionary and architectural. Weiermair (ibid.) argues that a successful innovation distinguishes itself in that it is also profitable for the tourism firm in a competitive market and it must also increase the value of the tourism experience or product. Decelle (2004) argues that the concept of innovation distinguishes itself from that of creativity for example, since it also requires the implementation of new ideas, new approaches and inventions.

Although a number of conceptual frameworks and models derived from the more general field of innovation studies (including the service sector) are presented in the tourism research literature, none of them refers specifically to the situation of the small-scale (rural) tourism business, and in fact, most of them, in line with the discussion set forth in section 1.3, argue that innovation in tourism is basically a matter of "big businesses": "Eventually, it must also be recognized that

[102] The term derives from the Latin *innovatio* which implies the creation of something new (Weiermair 2004).

innovative capacities are significantly higher in the larger tourist enterprises and in enterprises connected to chains and other horizontal collaborations" (Hjalager 2002: 374). However, both Decelle (2004) and Hjalager (2002) recognize the fact that for the purposes of future policy-making, the insight into the dynamics of entrepreneurship and innovation in tourism is much too scanty.

5.2 Visions, motives and goals

The aim of this section, in line with the argumentation above, is to shed light on the underlying motivation which the owners at the businesses studied express about why they started working with tourism and established the company, and which goals and visions they express in terms of future operations and development. As a whole we can see, in line with earlier research into small-scale tourism businesses as argued in the preceding section, that the owners express a plethora of motivations for having started with tourism, but despite the differences in the nature of the initiatives, one can draw some overarching lines which are common to them all. First, tourism is not a goal in itself, but a *means* supposed to aid the improvement or maintenance of a given everyday life, as will be clarified in the subsequent section.

5.2.1 Tourism as a means to change or maintain an everyday life and a rural lifestyle

If we thus start with the businesses in the Chilean case, we can see that all the owner-managers express that starting up the tourism business was a quest for an alternative family income to *improve their current everyday life* and to be able to maintain their *rural lifestyle.* As pointed out in section 4.2, nine of the twelve tourism businesses in the Chilean case are a supplement to traditional farming. Mario, whose products include guided nature excursions, recounts that "tourism is more a source of income for us", while Juan who owns a small hostel also points out that tourism is a supplement as "The harvest is bad now. It's hard to sell anything." As pointed out in section 3.1.2, a great lack of land, population growth and poor prices for raw goods in ADI Budi has led to it not being possible today to live off traditional farming: "The Mapuche here have always lived off agriculture and some animal husbandry, but today they're almost impossible to live off" (Pablo). Claudia N., the leader of the local tourist organization, explains that increasing poverty and marginalization force the Mapuche-Lafkenche families to be on a constant quest for alternative income opportunities ("new lines") to cover the family's primary needs, create local jobs and stop emigration to urban areas: "And why are we seeking new lines? Because we have far too little land and the population has increased. So we no longer have big plots to keep our animals on or grow crops. And that's why we suffer and see the needs of our sons, and we don't want our children to

suffer, so then we seek out new ways of keeping our families so they won't emigrate to the towns to seek work. The idea behind all this came from this, so our children, hopefully, would stay in the country. So that they have work and can then create resources they can live off."

However, one of the most interesting aspects in the Chilean case is that the empirical material demonstrates a clear *divide between generations*, also including one's motivation for having started up with tourism. While the older owner-managers focus largely on tourism as a *factor of economic change* which will hopefully allow one to improve everyday life for oneself and one's family, the basis for the motivation of the younger owners and the women is clearly more differentiated, as visible in Claudia N.s explanation above. The economic aspect of tourism is of course still key, but we can also see that their perspective does not just revolve around the individual family, but also around a greater collective consciousness, increased reflection upon one's own situation and growing political and cultural involvement. Tourism is thus not just an extra source of income to cover basic, everyday needs, but also a means to achieve *social and cultural change* and *development* individually as well as collectively. Sergio who runs a small Mapuche museum argues thus "We needed to do some activities additional to agriculture because we want development for this village and the whole area." Claudia N., who as pointed out in section 3.1.2.2 was one of the first to start up with tourism in ADI Budi, expresses that over time she had observed that a great deal of the financial aid entering the area for community development channelled through various NGOs did not result in improvements, and she wanted to do something to change the situation for herself and her village and people: "I saw a lot of injustice. Here in the area there have been very many NGOs working who have had a lot of money with them, but the results have been tiny, no great progress, nothing definite people can point to and say: 'I did this with the help of the NGO and I've got this here and I'm working to develop it.' It also grew out of a need I had for my family and to educate myself, to achieve the things I thought were important. The most important thing was water, there was no water where I lived." Paula who runs a small café selling traditional food also emphasizes the need for her to change her own situation and everyday life as a central factor motivating her to start up with tourism: "One gets involved also because of a need, out of necessity, because one wants to improve one's work, right? I think that as Mapuche, we can't always be at the bottom of the pile, one also wants to work (...) find ways to improve the situation (...) and that's what happened to me." We can thus see that, for Paula, starting up with tourism was also based on a desire to break with what she experienced as a host of hurtful and discriminating perceptions of her and her people, and, through her initiative, to show that the Mapuche are "Capable of doing things

(...) and not, like they say in other places, that the Mapuche are lazy or live in poverty (...) we ourselves have to have the strength to show (...) that we are capable." Claudia N. point outs the same need to change the perception of the Mapuche: "But we also want to make ourselves known, show them who are not Mapuche and who always say to us: 'lazybones', 'drunken pig', etc. And say that no, we're not lazy, maybe some are, but not all, show them that we can do things, that we have brains, a memory, intelligence, ideas, but also that we don't have enough money."

Regarding the basis for the motivation for starting up with tourism in the Norwegian case, the initiatives are mainly divided into two. Regarding the first group, tourism is an economic means to ***improve*** one's everyday life (including work situation), whilst for the second group, tourism is a means to ***maintain*** a given everyday life. Lise Lotte who has been working with tourism for about twenty years recounts how she chose to move from an urban area to Tinn based on a desire to change her urban job and everyday life, and that tourism ultimately will be an extra income so she can maintain her choice of lifestyle: "I knew that I didn't want to work in an office for the rest of my life, but that I couldn't have three children to care for at the same time, because that's too many people to live off a little farm. So when only Gry Elin was still living at home, I bought a small farm in Gauset. That was in 1983, or the end of '82, but we only moved up here in '83. For the first few years I only had sheep, and then the main farm was inherited by the eldest and I was offered to buy the farm, which was only half as big in terms of land and forest, so there wasn't any point in keeping sheep anymore so I went over to tourism. And I reckon that was in 1987." Elizabeth who runs a small campsite with her husband also recounts how she and her husband chose to move away from an urban life in a town in the Netherlands to Tinn to get away from the urban "rat race" there: "So we decided about 4-5 years ago that we wanted to have a different life. Life in the Netherlands with so many people per square metre is stressful. Jobs in the Netherlands are also more stressful than Norwegian jobs." Lena who runs a tourist cabin also points out that she started up with tourism to get away from the stress of her last job and to make space for other activities in her everyday life: "I started it up because I was sick of my other job. I sat in an office, and I was sick of just sitting all day. The body isn't made for sitting all day, getting back trouble and suchlike. I was told to take exercise, in fact. But I never got the time for that in the job I had." We can also see that Nils who runs a small summer pasture offering guided tours and some traditional foods recounts that he started up with tourism because he wanted to do something other than traditional milk production: "I wanted to cut down on the milking, and now I've been working for myself for about thirty years, and I wanted to do something else."

Whilst both Elizabeth and her husband and Lise Lotte are in-migrants to Tinn, they differ in that Elizabeth and her husband started up with tourism straightaway, whilst Lise Lotte only started up when the economic basis her new lifestyle was based on was "threatened". The same scenario is reflected in Per and Gry who run a business offering a number of products, including guided nature trips, bungee jumping and ice-climbing. As Per recounts: "I moved here in 1990. And I moved here because I wanted to live in a small village. And I wanted to live somewhere steep enough so I could do activities which mean a lot to me, plus I wanted to live somewhere not far from different kinds of nature. Farmed land, high mountainous areas, high alpine zones and in fact I found these here." Per points out that he had a job in Tinn when he moved there, and that the business was only started up properly when his job was shifted out of the municipality. He recounts that he has always done experience-based tourism "on the side", and that the actual business was established in 2000. However, the couple have only run the business full time since 2004. Gry points out in line with Elizabeth and Lise Lotte that she at one time had a day of reckoning and asked herself what she really wanted to do with her life: she concluded that she no longer wished to pursue her urban everyday life: "But then I got to a point at the age of 33 when I thought I just couldn't be bothered with this anymore. I couldn't take living in Oslo, or the stress. I was then working self-employed within travel consultancy." Gry recounts that she moved to Rjukan from Hemsedal after meeting Per, started up a company on her own, but discovered after a while that running two businesses was too complicated and so merged them into one.

We can also see, as with Lise Lotte and Per and Gry, that the need to diversify and supplement one's livelihood to be able to maintain a certain lifestyle choice linked to living in the countryside are also key motivational factors for the initiatives in Tinn stemming from traditional farming. Heidi, who as formerly argued runs a summer pasture, recounts that ever since she had decided to take over the family farm she had thought about how she could supplement her income so she could run the place without having to have two jobs: "So I moved away, but I had decided that I would do it. This farm here is quite small, the alternative is to have another job in addition." She proceeds to recount that the idea of doing tourism started when she was at the Norwegian Agricultural College and they were supposed to write an essay about business start-ups: "It all started about eleven or twelve years ago, I would say. When I was at the Norwegian Agricultural College I had an essay about business start-ups. And we could choose what we wanted to write about, but to me it seemed very natural to write something about the farm, as I had the allodial rights to it. So we've been

doing tourism by leasing out cabins on the farm, and I was very interested in animals and running summer pastures. So I wrote my essay about that and the way I wanted it to be. I called it ”Seterdrift med tradisjon og turister”[103], that was the title of the essay. And in fact there’s not that great a difference from that.” Hanne, who also runs a summer pasture and is well known in the local area for her homemade goat’s cheese, recounts that her parents were forced to look for new ways of making money on the farm: ”Because we saw that the finances in agriculture (…) actually you have to think along alternatives lines to strengthen the finances of agriculture because at that time we had sheep, and there was so little money in that. Just plummeting. And then they started realizing their plans that ‘perhaps we should try goats’.” Leif who offers traditional farm holidays points out that he started up with tourism because he needed to supplement the farm’s income as he no longer had a job on the side: ”Because I quit as a teacher, so I had to do something else. I had to try and get some income coming into the farm.” Theodora, who was one of the first in Tinn to start up ”commercial” summer pasturing and who offers a range of services including food and accommodation in cabins, recounts that when she took over the running of the place, her view was that if there was going to be any point in pursuing traditional summer pasturing, they would have to find alternative ways of making money: ”So I find out that it wouldn’t work financially because we were making a loss while we were here (...) So I decided to apply for a licence to serve food, got it straightaway, and then turned it into a little café. And the people just flocked in, and they don’t get any fewer as the years go by, quite the opposite. And that must be a good thing.”

5.2.2 Establishing a tourism business: push or pull mechanisms?

Many ”push” and ”pull” factors exist than can motivate or force people into self-employment and business creation, and from the discussion in the preceding section we may observe that this is also highly the case with the businesses studied in this dissertation. ”Push” factors are ones in the external surroundings which ***force*** the owners to act, i.e. look for other opportunities, solutions and strategies. As pointed out, such factors may consist of the Mapuche-Lafkenches’ marginalized everyday life and changed circumstances for Norwegian agriculture. ”Pull” factors on the other hand imply opportunities or attributes in the surroundings which ***pull*** one in the direction of change, e.g. that living in the country (”country life”) appeals because it, for example, corresponds to a desired lifestyle. Whilst ”push” factors are thus more imposed upon one and are characterized by necessity, ”pull” factors are more ”positive” in that the change is not ”forced” upon one by

[103] Running summer pastures with traditions and tourists”

exogenous factors, rather it is based on realizing personal wishes, longings or needs. Although dividing into ”push” and ”pull” factors is a simplified portrayal and in some cases it may be difficult to set the boundary between when a factor is or becomes ”push” or ”pull” respectively, this division is nonetheless an interesting basis for comparison in terms of this dissertation’s empirical material. One of the biggest differences between the Chilean and the Norwegian cases concerning motivational factors is the extent of the ”push” and ”pull” factors in terms of the background for establishing the tourism businesses. We can see that for the tourism initiatives in the Chilean case, poverty and the marginalized everyday life have *forced* 100% of the families to find alternative and supplementary income opportunities, i.e. an economic ”push” mechanism. Similarly, we can see that over half (55%) of the businesses in the Norwegian case have also been *forced* to seek out alternative sources of income, which although not that much to do with poverty and marginalization, is more strongly linked to Norwegian agricultural and development politics in recent years, as it has become harder and harder to live off small farms and find work in the regions. Hanne sums it up thus: ”It’s clear, for example as far as agriculture is concerned, that it’s really dependent on the agriculture policies conducted. The line today, and what is envisaged in the future is large-scale production, big units and it goes without saying that this is almost impossible to do in a little village. And more central jobs have to be moved to the regions to maintain growth in village communities. Not everyone can have their work at home.” We could thus argue that some entrepreneurs and self-employed people have had little choice: they either need extra income (such as one to support a farm) or the economy does not, as argued, provide good employment alternatives.

This notion of ”push and ”pull” can be linked to Maslow’s pyramid of needs (see e.g. Bakka and Fivelsdal 1998: 170-2). Maslow distinguishes in ascending order between the basic physiological needs (hunger, thirst, sleep, etc.); needs for safety (the need to be protected from physical injury, crime, etc.); the need for love (close contact with humans via family and friends); the need for self-esteem (self-respect and respect from others, the need for prestige, recognition, attention and suchlike) and finally: self-actualization (freely pursuing one’s abilities and opportunities, the desire to realize oneself). Maslow points out that we first must have the basic physiological needs covered before we can concentrate on the needs higher up the pyramid. Regarding our empirical material and bearing in mind the notion of ”push” and ”pull”, it is thus exciting to compare the two cases in terms of Maslow’s categories.

Thus for the Chilean case, we can see that the motivational factors for having started up with tourism are mainly to be found within Maslow's four first motivational categories. The poverty which the Mapuche-Lafkenche live in around Lago Budi today, as outlined in section 3.1.2, implies that their basic physiological are covered, such as hunger and thirst, and their basic safety needs such as avoiding disease, crime, etc. The desire to create local jobs through tourism in ADI Budi to prevent the young out-migrating to urban areas, as pointed out in the preceding section, is thus fundamental in terms of safety as one of the woman owner-managers points out here: "Many young people have emigrated to the towns, even my own son, to seek work (...) And most of the young people do all right, they work and get used to life in the town, but others don't do as well, never find work and end up keeping bad company and come back and are a danger to the village. They learn other habits and suchlike on the outside. To avoid all this we're trying to do this work and motivate our Mapuche brothers so they can do the same." Here it is worth noting for example that when the person concerned refers to young people out-migrating to the urban areas, they do so not to get an education, as would be overwhelmingly the case in the Norwegian case, but to seek work and that it is very unsure whether they will get any work and what kind of work they will get. We can also see the way in which the marginalized situation and discrimination emerges in that several of the Chilean initiatives see an opportunity in tourism for self-esteem both individually and as an ethnic group, and are thus attracted to tourism due to social and cultural reasons. The need for and necessity for respect, attention and recognition seem by and large to be central for many of the initiatives in the Chilean case.

Regarding Maslow's pyramid of needs and the Norwegian empirical material, a preponderance of the needs may be found in the upper end of the pyramid. This means that although the initiatives in the Norwegian case are also compelled to seek out alternative sources of income, this necessity is not as acute as there is a social system which ensures that, for example, having to starve is an alien thought for most people, and that young people who go to the towns to seek work or in most cases to get an education are not associated with returning and posing a danger to the village. Thus we may say, in line with Maslow, that the basic needs are covered to a greater extent in the Norwegian case and that the needs higher up the pyramid are also more prominent. This is also illustrated in part by the fact that almost 30% of the Norwegian initiatives are seeking in tourism an opportunity for self-actualization, in terms of realizing their lifestyle preferences, in which case we may speak of a "pull" mechanism.

5.2.3 Goals and visions for the future

In the two preceding sections we have looked into the main motivations that the owner-managers express about the background for having initiated their tourism business. In this section we will look into the goals and visions that the owner-managers express about the future.

If we start with the Chilean case, we can see that the goals regarding the future can be grouped into short-term objectives and long-term visions, and it is possible to trace some clear patterns across the empirical material. In section 5.2.1 we argued that in the Chilean case it was possible to trace a generational difference in the background for having started up with tourism, and the same pattern is also visible in the goals and visions that the owner-managers express about the future. While the older owner-managers are basically focused on the short-term economic resources generated from the tourism activities and express few concerns or visions about the future, the goals and visions of the younger generation are more diverse and include both individual and collective considerations as visible in the visions expressed by Paula who runs a small café selling traditional food: "I hope to get many more visitors and improve my project, save money (...) and in the future, if I get results, give work to some people. That is my wish. Because people have to go a long way, and if there are good young Mapuche boys and girls, one has to give them the opportunity to stay in their village. So in this way these people will also, not copy, but want to work and maybe they can also have their own business in the future."

If we look at the younger owners as a whole, the individual goals for the future are linked to ensuring the survival of the business and thus the family's livelihood in the long term. This concerns matters such as improving the quality of the service and what they offer and working more dedicatedly: "I think that for me the first thing is a greater dedication to work, we've been too slow in several areas. We've spread information (...) but we weren't active enough. Second, we have to improve the facilities and I think that the dilemma is here somewhere, that what we offer isn't of a high enough standard." (Arturo). Several people also express as above a desire to expand and diversify operations: "Our dream is one day to show that we have grown "big" and here we are, of course by having had aid from the government and NGOs, but also via our own efforts and sweat and tears (...) and not just so we alone have benefited from this, but also our neighbours." (Claudia N.). However, it is important to understand here that growing "big" is not so much associated with one earning loads of money, but ensuring long-term operation, creating jobs and showing that they have survived and can manage on their own and that the village as such has also been developed

through the project: “And our vision is for many people to be interested in working with tourism and that each person has a business, so as to give opportunities to many people” (Miguel).

The vision of the future revolves around being independent Mapuche micro-businesses and developing a kind of tourism which allows each individual owner, and the Mapuche-Lafkenche generally, to improve their existing rural everyday life, without having to compromise one’s own culture or reality: ”Yes, and it’s we Mapuche who are doing this and we want to have a kind of tourism which corresponds to our culture and our reality. Doing tourism in our little area, and not going to the town or letting other people from outside the area come to our villages to do tourism, and (...) we don’t want that, our attitude is that we Mapuche are capable of doing this and not have someone coming from outside the area with loads of money wanting to put up a hotel and us becoming employees under them. We want to own our own work and be mini Mapuche businesses to increase our standard of living, the financial side and also strengthen the cultural side” (Claudia L.). Thus, a central objective is also to avoid foreign investment and business ownership by developing a kind of tourism that differentiates itself from the more traditional mass tourism that they have seen and heard about in other parts of the country. The vision of the future revolves around sustainable tourism development which is as much economic as social and cultural, individual and collective.

Also in the Norwegian case it is fruitful to spilt future goals into more individual and collective objectives and visions, and here too it is possible to trace some clear patterns across the empirical material. As with the younger Chilean owner managers, the individual future goals in the Norwegian case have to do with factors related to improving the quality and organization of the business: ”The visions will in fact be of me continuing and that there will be even better quality than now, and that the organization is top-notch so that I can use the employees we have” (Heidi). ”We’re going to develop the yard, we also have plans to build extra cabins and build service facilities for the campsite to improve the quality. The service facility we have now is too small for the number of people who can stay here. We’re trying to get that done for next year” (Elizabeth and John).

Although several of the owner-managers in the Norwegian case thus express a desire to develop the business, this is not primarily due to a desire for profit and growth in themselves, but rather due to a necessity to ensure long-term survival: ”We want to become better known so we get a few more

extra visitors each year. That's what the point is at the moment (…) it's pretty financially secure right now, but that's because people have worked together for free, but the day will come when you will have to start paying the people sitting here, and they don't get paid today" (Stein). In general, the low profitability is a challenge for many of the owner-managers with which they are constantly confronted: "Either you have to expand, or else you'll have to put up prices" (Hanne). Theodora who runs a traditional summer pasture confirms this "to be or not to be" situation in small-scale rural tourism and has decided to follow the first strategy: "Develop (…) well, I'm not going to develop anything else apart from getting more space to serve food. And a new production room. Because we've put so much money back into this farm and this summer pasture that everything we've earned from the farm, goes back to the farm. And all the time, like now when we agreed we should expand it (…) right, with a large investment of 1 million, and then we sit and think – is it worth it? It worked the way it was. We're starting getting on in age. So you'll never get back what you've put in. But there's no point thinking like that (…) So it's either-or. And I think it's important that we have made an effort. And if the next generation decides it doesn't want animals, in any case they have opportunities to do other things here." Inherent in Theodora's vision is thus also to use the business for the betterment of the family across more than one generation.

We can also observe that due to the necessity to grow or diversify the business to be able to generate enough money for survival, some of the owner-managers express that in a way they feel forced into a form of development with which they are not comfortable. Heidi point outs that if depopulation of the regions is to be avoided, one must "look the other way" as far as a number of elements are concerned: "My parents are also building a few more cabins but I really don't want to do that, but I recognize that one has to have a job. But this is a sticking point. It's good that one has something to do, but I don't think that's the only thing one can do here in Tinn to survive. Perhaps I could have just sold the cheese, that would have been food production in a way. Of course, I want people to be able to do the things they need to because I want to have neighbours in this village." The need to create local jobs is thus, as with the Chilean case, an obvious necessity, and through their activities the owner-managers hope to help counter the tendency for out-migration and create a more positive image of rural areas: "We have a dream too in fact, that in the future we can help make sure there is something or other here which makes it cool to live here" (Per).

To sum up this section, we could argue that it seems that the goals and visions of the majority of the owner-managers do not concern growing or developing the businesses for the sake of it. Not that

income and economic gains are unimportant, but Theodora and Hanne who have been in the business for a couple of decades highlight that running a small-scale rural tourism business must be based on a more profound and personal interest than profit and economic gains, since profit is rather marginal. Theodora reveals that, for her, one of the main reasons for continuing the business is a personal interest in pursuing a rural tradition: ”And that’s why I carry on here, to take care of the cultural heritage.” In most cases lifestyle considerations, interests and developing or maintaining a rural lifestyle are more important than financial return and growing the business: ”So it’s not about building this up into a massive centre so I can make a million, but about keeping it at a natural level, so people can feel at home when they come here so they get a completely natural experience when I tell stories about the history of the area. That’s what I’m going to put most of my efforts into. And for as long as I can and have my health, I’m going to run it in the traditional way with dairy cows and summer-pasture tourism in the way I think is important to communicate the values from here” (Nils). The empirical material also reveals that those who are most concerned with generating profits are those who have the biggest loans and external financial obligations. Most of the owner-mangers thus express a desire to keep the business at a manageable and sustainable level, in terms of economic, social, cultural, ethical and environmental factors, and whenever decisions to grow the business are taken, in most cases they are based on a perceived necessity to ensure its long-term economic survival.

Finally, in the Norwegian case there are several initiatives which express a desire to lessen rather than extend the level of activity. This is, however, related to a number of factors further discussed in part three of the dissertation. In addition, in the Norwegian case there is even a minority who have no future visions or goals for the business: ”Well, I’m going to continue offering riding and horse-drawn sleigh rides until I am a pensioner. So I don’t know. It doesn’t worry me yet, you never know what’s going to turn (…) if someone else will take it over and continue to run it, I have no idea what it will be like in the future. I haven’t really thought about it either” (Lise Lotte); ”I could probably market myself a lot more than I do, but now I’m 57 and think it’s all right to remain on the current level” (Laila).

5.3 Entrepreneurship and innovations

To analyze the entrepreneurial and innovative capacity of the businesses studied in this dissertation we have in the preceding section, in line with the aim proposed in section 5.1, looked into what characterizes the firms in terms of the owner-managers’ motivations and the background for starting

up the business, and their visions and goals concerning developing the business. In this section we will try to look into their entrepreneurial and innovative capacity from a rather different angle. As argued in section 5.1, innovation is connected to implementation in that new ideas, new approaches and inventions need to be put into action in order to be innovative. Thus, in this section we will, unlike in the preceding section, look into what the owner-managers actually do instead of at their intentions expressed through their visions, motives and goals. We will look particularly into three different areas of importance related to business start-ups, product and market development and local community development.

5.3.1 New establishments or acquisitions?

If we look at the businesses in the Chilean case, in section 4.2.1 we have pointed out that 100% of them have been established by the current owners, and we can also see that the owner-mangers in the empirical material constantly point out that the business of tourism is a new phenomenon or market for the Mapuche-Lafkenche. ”A new line” is a description often employed: ”Tourism was something new to us, the Mapuche here (...) it was a new experience in my village and in the surroundings ones too” (Claudia N.); “It is a new initiative within our tradition, our culture (...) because we didn’t work with tourism before, it was an unknown area” (Miguel). Claudia N. and Miguel were the first to start up with tourism in ADI Budi and the first Mapuche-Lafkenche to do so. Later the NGO Impulsa, as pointed out in 3.1.2.2, picked up on these innovative initiatives and made a more extensive village development project out of it. Today, Claudia N. is thus a part of the village tourism project, whilst Miguel has chosen to remain outside of it. In the Norwegian case the proportion of newly established businesses is also high in that 72% of the initiatives have been established by the current owners. The level of innovation is then high among the businesses studied in this dissertation, if one takes into consideration that these are all new start-ups. However, entry barriers, as pointed out earlier, are low in tourism and many fold after a relatively short time. Therefore, the fact that these are newly established businesses is not an adequate way of measuring the entrepreneurship and capacity for innovation of these businesses. In the next section we shall thus shed light on the extent of product and market development at the various businesses.

5.3.2 Market and product development

Many of the products which the Chilean businesses sell to tourists have been developed with tourism in mind, but not all. What is new, however, is the market on which the products are sold as

tourism, as pointed out above, is a new source of business for the Mapuche-Lafkenche. Some of the products they sell such as arts and crafts have been produced by the owners before, but the difference now is that wares they use to sell to other Mapuche-Lafkenche people in the area are now sold to tourists: ”These handicrafts existed before, but you had to go out to sell them (...) wander the streets“ (Liliana). Claudia L. who makes and sells traditional woven textiles and pottery explains that she used to make these at home, but via tourism she now has access to her own sales premises at which the customers may visit her, and that before she only made woven products but now also makes traditional pottery. She also explains that she does product development, but without altering the traditional techniques which are the basis of her wares: ”I change the design, because that changes each year. The fashion changes. But not the weaving itself, but maybe the colours, stronger, lighter. But the actual colours of the Mapuche products don’t change. As each colour has a history.”

Several of the businesses have also developed products which did not exist before, but which are more “typical” of the tourist industry, including camp sites, hostels, guided tours and experiences etc. One of Mario’s products is guided tours of the local flora and fauna. Sergio has established the first Mapuche-Lafkenche museum in the area at which he exhibits old items from his native village and which were his grandparents, etc. When Claudia N. and Miguel started up with tourism in ADI Budi in the middle of the 1990s, the first to do so as mentioned, both wanted to set up campsites. As Maria recounts: ”The project consisted of a campsite with a camping area, a cabin and a motor for the boat, but there wasn’t enough money for the cabin.” Miguel started off with a campsite, and later his product was developed more towards the uniqueness of the local area and culture, and today his business consists of a Mapuche tourism centre.

Whilst some people have thus retained products in a relatively unchanged state, others have gone in for more ”typical” tourist products, as pointed out above: yet others have recommenced making and/or developing products based on the uniqueness of the local area and their own cultural background, including the revitalization of old traditions and customs. Claudia L. has as pointed out above recommenced using old pottery traditions. Javier N. and Juan offer accommodation in a traditional *ruka* and trips on Lago Budi in traditional Mapuche canoes. Clara runs a small campsite with her husband and has a picnic area, and also offers guests the chance to take part in traditional farming, the production of *chica* (apple schnapps) and boat trips on Lago Budi.

We can thus see that the initiatives in the Chilean case have brought some existing products, mostly handicrafts, to a new market - tourism - while establishing a host of new products based on what they have picked up on from ”typical” tourist products, and developed new products based either on local natural characteristics or by recommencing having or continuing their own cultural expressions or traditions. Today the “product range” at the individual initiatives seems a mix of the old and new, and several of them no longer offer many of the products they started out with because there was no market or customer demand for them.

Regarding product and market development in the Norwegian case, one of the greatest differences is that tourism is no new, but an old market in Tinn, as pointed out in section 3.2.2.2. As with the Chilean initiatives, the Norwegian ones are also characterized by their being aimed at niche production, and many of them focus on providing accommodation and experiences linked to the local culture, uniqueness of the area and nature. As pointed out in the preceding section, 72% of the Norwegian initiatives have been established by the current owner, but nevertheless several of them stem from places which at least in part had worked with tourism before.

If we start with the places acquired as already existing tourism businesses, we find Elizabeth and John, who bought a campsite which they have developed by adding a restaurant, extending the season to the winter and the market to include new customer groups: “There’s a big difference now in the winter compared to the former owner. They did no marketing for the winter season, and we heard about ice-climbing. Didn’t know about this sport before, had never heard of it (...) in the second season we had a lot more bookings. It was a fantastic season! How much in percent? 40% more for example or 60%, ’whoosh’, it rocketed. The previous winter season was like that too, the third season, we were practically fully booked from Christmas till the middle of March.” Most of the bookings come from Britons who arrive in Rjukan to do ice-climbing, a product developed by one of the other business studied in this thesis. Lena, who as mentioned runs a tourist cabin, recounts that about 60% of the overnight stays are associated with a host of cycling holidays they have developed in cooperation with the local tourist office. Earlier the tourist cabin was run more typically, offering accommodation and food, but now we can see that Lena, partly independently and partly in cooperation with others, has developed a host of ”additional products”, such as trekking with a map of the local area, grouse hunting (mostly for businesses), hiring out fishing nets and suchlike. She also recounts that since meeting her husband and since he got involved in the business, he has helped develop the concept and adapt it to new markets, such as the business

market: “And he’s been great on the mountains too. Put up a *lavvo*[104] and set up the fishing, and got businesses interested and that kind of thing.”

Concerning the initiatives based on the current owner assuming ownership from other family members we find three of four summer pastures in the empirical material and a farm offering farm holidays. Concerning the three first initiatives, tourism has also been used as a livelihood by earlier family members, whilst regarding the farm, the current owner is the first to do tourism. Heidi, who runs a traditional summer pasture, recounts the following: ”Yes, it started with my grandparents, when they built a road up in the valley here almost everyone started building cabins.” She recounts that her grandparents and parents hired out cabins and that her parents also developed and organized fishing for tourists, but that she has chosen to go in for selling experiences and traditional food: ”My main initial thought was families with children, or grandparents with children who would come, stay at the cabin and get a kind of experience, a whole package. That they could help out with the food, the animals, tend them, go on mountain excursions and help sell products.“ Heidi has thus started producing *kna* cheese[105] as well as butter and sour cream, and also serves up traditional food (sour-cream porridge, cured meats, waffles, etc). She also offers riding trips, the opportunity for the tourists to help in the stables and the chance to pet the animals at the summer pasture. Concerning the background for the product spectrum, she argues thus: “The thing about the cheese I make – that was a conscious decision because so few people have made that type (...) Some do in Telemark and Numedal, and in other places around the country, but in a way it’s an ancient cheese. I’ve read it was the Viking cheese (...) As far as the other products and activities are concerned, they’re based on old interests of mine and that we have horses and have been out riding.” Heidi also recounts that she has plans to customize and develop her product range.

Hanne and her husband run a farm and its summer pasture: as she has the allodial rights and is also a trained cook, she has played a very key role in the developing and marketing of the farm and products for many years and still does product development: “And then we’ve also started making a half-fat one, a white goat’s cheese which is more like Chèvre, and the response has been fabulous. We called it Gausta, and we've started to get really good at making it. So that’s fun. And we sell sour cream made of goat’s milk, and no one else in Norway does that. The response has been fabulous. And we also sell *dravle*, the same as cottage cheese.” However, both outside and within

[104] A traditional Sami dwelling.

[105] Cheese made from sour milk, salt, cream and caraway seeds.

the municipality, Hanne points out that she is most famous for her goat's cheese: "We have realized that nationally we have a really special product because we haven't found the *brunost*[106] we make anywhere else in Norway. So we wonder whether we should apply for it to be a speciality, get a special label on it, but we haven't done that yet." She also recounts that several of their products have been awarded national prizes: "At the national farm-cheese fair, the *brunost* and the sour cream from goat's milk won gold medals. And the low-fat cheese and the full fat white cheese won the silver medal." Hanne also recounts that they currently make some cured meats for their own private consumption, and that this will be their next area for product development.

Theodora also runs a summer pasture and recounts that her mother-in-law also use to sell some of her wares to tourists, but that when the road was built, Theodora took the initiative to start serving food: "People popped in to buy the wares she had made, but she didn't serve food. Only to familiar faces who popped by. But I felt that I wanted to make more out of it, since I had to be here all the time anyway. And I have never regretted it." As with Hanne, Theodora recounts that she is widely known for her wares: "People drive all the way from Asker just to come here to buy my wares. They're allergic to most dairy products, but not to mine... (...) My butter is awfully popular. And my white cheese is so popular that I don't even have it on my list of products anymore! I make two cheeses a day, about seven kilos each." Theodora also sells traditional products she has painted herself with rose painting.

Leif, who offers farm holidays, started up with tourism when he quit as a teacher. The accommodation he has in an old Telemark farmhouse from the 1800s which has been returned to its original style: he also has a number of cabins for hire. Regarding his range of products, staying in an old Telemark farmhouse is rather unique in itself, but so are fishing trips, helping out with the lambing, taking part in the hay-making, etc. Leif recounts the way in which his product, when he initiated on a small-scale in 1992, was very innovative and unheard of by the more traditional cabin owners: "When I was going to start marketing myself, I started with the cabin bureaux, at that time NovaSol, Dansommer. I started with NovaSol. But I didn't get the price I wanted. Because they didn't understand what I was doing. I was supposed to have a jacuzzi, maybe an outdoor pool to get the price up. So I said, 'But I've got a totally different experience to offer, one no one else has'. First, I've got a fabulous view, second I've got really old buildings, hundreds of years old, I've got

[106] A brown, typically Norwegian cheese produced by boiling whey (from cow's or goat's milk).

rose-painted parlours, this isn't just any old cabin for hire." He recounts that he later started marketing himself on the internet, a greater success.

Last, regarding the tourism businesses initated by the current owner, we can see that all of the owners have carried out extensive product development. Lise Lotte who originally started a farm with animals recounts that underway she has altered the range of products in tandem with market development, and that she has started offering both horse-drawn sleigh rides and riding recently: "I can kind of see that in terms of work and income (...) and of course in demand, one can see after a time that things do have to change a little. And now it has changed, now I have riding in the summer, trips in the forest and mountains, and horse-drawn sleigh rides at Gaustablikk hotel in the winter, I'm there for about three months in the winter. So now it's not a farm with animals: there are some wee critters for the people who come to go riding, and now everyone has to order in advance." Lise Lotte continues by telling that she does product development and testing to explore the possibility of extending the season: "I've been there at Gaustablikk for one week in the summer, just as a trial project (...) Tons of people! It was full all week, but it takes an awful lot of work to keep it up, because the natural surroundings are really wild up there with bogs and that kind of thing, but it would be possible to run it up there all year, absolutely." Stein is one of the people behind a local permanent village exhibition and recounts that the idea was to take care of local traditions such as the Tinn knife, said to have a history dating back to the Vikings. The handicrafts centre was thus supposed to be a permanent sales premises and also "Premises for the local artisans we then had, so we have workshops in the lower floor for woodworkers, knife-makers and rose-painters. On the ground floor we have an exhibition of wares made here in Tinn, a couple of guest exhibitors and that's about it, and local products. On the first floor we've had a woman doing rose-painting who's taken a break for the summer. And then we've got the Tinnstakken. The traditional local *bunad*[107] from Tinn is the only one in the country sewn in *frihånd*, the stitching." Per and Gry who run an experience-based business have developed a host of products which did not exist before in Tinn such as bungee jumping and ice-climbing in the winter: they also arrange events and excursions for businesses. The products have also created access to other markets, such as British ice-climbers, as pointed out above.

[107] Norwegian folk costume.

We can thus see that as with the Chilean case, some of the Norwegian businesses have continued to pursue ”typical” tourist products (accommodation, guiding etc), others have brought existing products into a new market (summer-pasture tourism) and a number of the businesses have renewed or developed old traditions and customs.

5.3.3 Community contribution and development

In the two preceding sections we have assessed the initiatives studied in this dissertation in terms of innovation based on the extent of new start-ups and product and market development. A third indicator is, as mentioned, to what extent the initiatives have contributed to community or destination development. The empirical material shows several examples of the businesses in both case studies contributing in different ways to developing the local community, though to varying extents.

If we look first at the Norwegian initiatives, Per, who runs an experience-based business with his wife Gry, points out that ice-climbing has helped market Tinn and Rjukan internationally, and that the business has attracted a host of new people to the area: “And strictly speaking over the past fifteen years we have developed from being a totally unknown place on the ice-climbing front to perhaps being one of the most popular, at least in Europe, places for ice-climbers.” Today Rjukan is thus also the host for an annual international ice-climbing festival. Generally both Per and Gry are interested in helping made Tinn and Rjukan an exciting and viable local community, and Gry points out that she believes that their bungee-jumping concept may help Tinn have a somewhat ”cooler” image in the eyes of young people: “I think that for some young people our bungee jumping thing is pretty cool. Pretty cool.” Per adds that it is already quite ”cool” for some other segments as well, in part due to the ice-climbing activity. Gry also point outs the more economic knock-on effects for the local community of their activities: “And the places offering accommodation live off these people during their low season, throughout the winter. This lasts by and large four months.” This is a fact which has already been confirmed, for example by Elizabeth and John’s campsite which, as pointed out in the preceding section, has extended the season and is now open in the winter, in part for the British ice-climbers who are the main customers. Elizabeth recounts that 99% of the bookings in the winter months are from ice-climbers, and in total this amounts to about 40 people pr day, a significant group.

Gry furtherrmore emphasizes that their activities and business do not prolong the season just for the businesses offering accommodation, but also that attracting people to the areas helps sustain local commerce on a more general basis: “At the same time we help get people to come up here as the things we have and can offer attract quite a few people and provide a basis for some of the businesses in town. They spend quite a lot of money, you see. Not to mention all the bungee jumpers we have who buy drinks, food, hamburgers, sweets in the shops. So we’re a part of contributing something to society more generally.” Elizabeth’s line is similar to Gry’s: ”In fact all the people we’ve talked to, neighbours, people living in Rjukan, the population, shops and suchlike, they’re all really happy that one place started up. That tourists come. Because of course they also spend money in the shops here. Some of the shop-owners understand this very well and know that they mean a lot for their income.” Several of the businesses also have employees, and although a lot of the work is seasonal, it also creates a commercial basis for other small entrepreneurs, for example Per and Gry who hire in a local self-employed chef.

We can also observe that several of the Norwegian tourism initiatives emphasize that they are often used as ambassadors for the municipality and county council not just in terms of tourism, but also in terms of possible new in-migrants. Their uniqueness and special qualities are emphasized, and they are often used as “textbook examples” of population and business development in the Norwegian regions. Hanne who runs a traditional summer pasture recounts the following: “We have also represented Telemark and Tinn at large gatherings to do with animals and culinary culture. So that’s nice. We were involved in a presentation of Norwegian farm food when it was launched, and were one of the producers held up as an example to show that there was a point in doing it.” Siri Strandrud has, at her own initiative, but also under the aegis of Tinn municipality, been responsible for several projects whose main focus has been to get people to move to and back to Tinn, and gradually Tinn has become a municipality in which many lifestyle migrants have set up home. Lise Lotte has thus – for the very reason that she has managed to maintain her choice of lifestyle and has remained in Tinn – been an inspiration for others who wish to move from an urban to a rural existence, but who have doubted whether it would be possible: ”So you might say that one positive thing has been that I was probably the first lifestyle migrant who came here and I have been used as an example to the others who came here later, you could say, and who it was hoped who come. I’ve kept things ticking over, you see. So that’s probably been positive, according to Siri in any case. Siri Stranderud.” Thanks to their business profile and areas of speciality, the tourism businesses

have also been used as ambassadors of the local uniqueness and special qualities, and e.g. Theodora's summer pasture was picked as host during the King and Queen's recent visit to Tinn.

Stein, one of the people behind the municipality's local handicrafts centre, also explains that he thinks the people at the centre help make the municipality and local community more interesting for travellers, but also for the local population: "We have several functions and as Tinn wants to develop tourism, that's one of our things. But we're also here for the locals as they can join these groups and they have a place to go to, the knifemaking group, the woodworking one, the one doing rose-painting for example (…) It's clear that some of the wares we sell here are presents needed by the locals, so that's a part of the point too. And the locals are good at using rose-painting as presents and suchlike." Stein emphasizes the good social milieu and points out that the centre helps keep traditions and techniques alive by having both production and sales premises for the goods. Several of the other initiatives also point out that the locals are good at using them. Heidi, who as pointed out earlier has started up a summer pasture run according to old traditions, points out that the locals, cabin-owners and the people from nearby municipalities are a key part of her customer base. Lise Lotte and Stein above accentuate a point which many of the initiatives emphasize, namely that it is the diversity and totality of a number of small businesses and enterprises, many of which have arisen to serve the tourist market, which make Tinn an exciting municipality both for tourists and in which to live. As Per, as an in-migrant, argues: "Right, so it's a super exciting place. It has every aspect imaginable which should make coming here interesting."

As pointed out earlier, one of the major differences between the two cases in this dissertation is that whilst tourism is an old industry in Tinn, it is very recent in Lago Budi. This also implies that it is much more difficult to pin down the long-term effects of the Chilean businesses' innovative activities on the local community. However, it is possible to determine that Claudia N. and Miguel, who as mentioned earlier were the first to start up with tourism on a small-scale in the latter half of the 1990s, have inspired others to start up. Claudia N. recounts that in her village alone, today there are "three working with tourism, and four new ones that are waiting, in fact we're the village with the most people wanting to go in for tourism. In total there are about ten villages here working with tourism (...) So it's had an effect in the village I live in and in surrounding ones". Miguel points out the same effect: "Because in fact since this initiative in Paucho started up, several initiatives have come into being." He and Claudia N. count up and determine that there are about 13-14 tourism initiatives in total which have come into being after they started up, and that there are 7-8 more who

want to start up but are waiting for financial aid for their projects. Miguel recounts that he has employed villagers at times, and that tourism ”has allowed us to make a few people happy (...) and that makes me personally happy. Because I’m contributing something, just a drop in the ocean to some of the families who need it most.” Claudia N. also emphasized, as pointed out in section 5.2.3, that they buy some of the wares and handicrafts which they sell from others in the local community and thus they are contributing by providing a small income to other families in the local community.

In addition, the Chilean initiatives, as with the Norwegian ones, are often used as ambassadors - both by the municipality to promote tourism development, but also more generally as examples of Chile’s indigenous population who keep customs and traditions alive or as examples of “successful” development projects: ”The municipality invited them to take pictures. It wasn’t to do with any special activity, but for promotional work. Someone else also came from a magazine called *Cocilla*, or something like that. They also came from a magazine in Santiago to take photos” (Arturo); ”If the media, newspapers, tv, etc. need us for reportage or for us to be in the news, they visit us straightaway” (Paula).

5.4 Summing up

As argued in section 1.3, entrepreneurship and innovation are considered crucial for both *the survival of firms* and for the *development of rural destinations*, while within tourism and family-business research, a preoccupation exists with the *lack* of entrepreneurship and innovation among the majority of these firms. Thus, the objective of this chapter has been to attempt to gain a better understanding of the entrepreneurial and innovative capacity of the rural businesses studied in this dissertation with reference to the statements or hypotheses proposed in section 5.1. We will start by summing up and then drawing conclusions regarding the motivations, goals and visions of the owner-managers.

If we look at the two cases combined, the empirical material paints a picture indicating that tourism has not been a goal in itself, but a means to achieve other goals mainly linked to establishing or continuing to pursue a rural everyday life. As pointed out in section 5.1, such people are most often referred to in the tourism literature as lifestyle entrepreneurs (e.g. Markley and Macke 2002, Shaw 2004a), and it is assumed that lifestyle entrepreneurs are attracted more by the idea of pursuing a certain lifestyle than adhering to more traditional career issues of prestige, money and progress.

Getz et al. (2004) argue that lifestyle, in terms of tourism, "represents an extremely elusive and qualitative concept, determined by the values and expectations that the owner-managers largely select for themselves. Their motivations and aspirations relate to the quality of life and place, and economic activity that is bounded by seasonality and profit satisfying rather than conventional measures of financial success, such as growth of sales turnover or number of employees" (p. 28).

In the Norwegian case almost 30%[108] of the firms were run by in-migrants who had left their previously urban lives behind to search for a more sustainable lifestyle which they perceived they would find in a rural location. With reference to these lifestyle immigrants, several of the motivations proposed by Morrison (2006) in section 5.1 were identified, i.e. the aspiration to live in a place having natural scenic beauty and the rejection of the perceived "rat race" of modern urban living. One of the copreneuring couples, lifestyle immigrants, moved to Tinn and bought up a tourism business right away, while the others started with tourism after their other livelihoods had been ruined. These lifestyle immigrants could thus also be characterized as "opportunity entrepreneurs" taking advantage of a lifestyle or market opportunity (ibid.). The copreneur owners of one of the firms fit to a certain extent well with the so-called "ethically bounded lifestyle entrepreneurs", who, as argued in section 5.1, have been identified as focused on developing niche tourism products and having strong interests in environmental issues (Shaw 2004a).

However, we also observed a certain lifestyle orientation among the owner-managers born and raised in Tinn and in Lago Budi in the sense that starting up with tourism has become a strategy to be able to continue to live at one's home and continue to pursue or develop a rural everyday life. For many of these, their own livelihoods have earlier been linked to the traditional basis of village agriculture – which can no longer provide for the villagers, and therefore other business strategies are necessary (see e.g. Karlsson and Lönnbring 2001). The "need" (push) to diversify into tourism for farmers is a global trend: for example, Sharpley and Vass (2006) in a study of farm tourism in Northeastern England revealed that 87.3% of the farmers agreed or strongly agreed that it was important to diversify the farm for longer term financial security (p. 1046). Andersson et al. (2002) argue that specific to the rural tourism and hospitality sector is that it is often linked to strong ties to the land, location and lifestyle preferences. We can thus argue that both the concept of "survival

[108] If we look at the number of people instead of businesses, the proportion amounts to almost 40%.

entrepreneurs" (Markley and Macke 2002) and "necessity entrepreneurs" (Getz et al. 2004, Morrison 2006) would be suitable to describe the situation of these firms.

Among other authors, Getz et al. (2004) argue that there is a strong bond between lifestyle and autonomy motives. We see that this is also especially the case for the owner-managers studied in the Norwegian case, particularly among some of the lifestyle-oriented immigrants. However, the majority of owner-managers whose tourism activities are a supplement to traditional farming also express a desire and need to work independently. The picture is also somewhat more complex since establishing or diversifying farming activity, as argued, in many cases was the only perceived option as other jobs were not to be found. Thus, as argued in section 5.3, a number of "push" and "pull" factors exist that can either motivate or force people into self-employment and business creation. It is in this respect interesting to observe that those owner-managers who expressed the greatest interest in profit and economic growth, and who thus could be classified as "growth entrepreneurs" or "business oriented entrepreneurs" (Shaw 2004a, Markley and Macke 2002, Getz et al. 2004), were the older owner-managers in the Chilean case. They, however, lack both the resources and entrepreneurial skills to grow the businesses and many of the businesses were already basically not operating: we shall return to this in parts 3 and 4 of the dissertation. Thus, as noted by Getz and Nilsson (2004), when people are marginalized and pushed into tourism to make a living, their main concern is not optimal cash flow, but survival.

But where is the family vision or family aspect in the above? Getz et al. (ibid.) argue that one of the core elements that distinguishes family businesses from other businesses is that they *are not* normally established on the basis of a desire for maximizing profit and that the well-being of the family is normally more important than growth. Among the businesses studied, lifestyle motives and goals are clearly dominant, and if we thus follow the argumentation by Getz et al. (ibid.), autonomy and lifestyle motives are a family-first vision, since this makes the business a means towards an end. But again we could ask: does the fact that the owner-managers are mainly motivated by autonomy and lifestyle objectives make them family businesses? The study indicates that family visions are also related to age. Many of the ethically bounded lifestyle entrepreneurs are for instance young people who have not yet established families, and apart from a certain "lifestyle orientation", their priorities tend to be very different from the older owner-mangers. And we could ask: is not a business always a means towards an end, be it money or personal interests? Getz and Carlsen (2000), based on a study of 200 family businesses in Western Australia, point out that the

businesses' motivations for starting up or taking over/acquiring an existing tourism business were related to a host of lifestyle choices linked to moving to or staying in a rural area. In this regard, this dissertation clearly corresponds to Getz and Carlsen's study, but based on this, we cannot conclude that "our" businesses were family businesses. In section 4.1 we argued for instance that another central aspect of a family business relates to the vision of the founder(s) to use the business for the betterment of the family, potentially across more than one generation. However, among the studied owner-managers who had children, the majority expressed that the children were not interested in taking over the business (see section 8.4.3), and only one of the owners was planning for the next generation. Yet again we can also see, as pointed out in section 4.5, that it depends on how one defines a "family business" and against the background of which parameters. Singer and Donahu (1992) identified two distinct types of family businesses: the family-centred business, where the business was a way of life, and the business-centred family in which the business was a means of livelihood. Against the background of the research conducted, we could argue that most of the businesses studied have elements of both.

Getz et al. (ibid.) among others argue that the profit-maximizing, growth-oriented entrepreneur has been found to be in a small minority within family businesses in tourism and hospitality, and that in most cases the business is deliberately kept small and manageable. Bredvold (1999) points to the same desire to avoid growing the businesses too big in her study of small hotels in the community of Gudbrandsdalen in Norway. Andersson et al. (2002) argue that growth and development of the family business might not be desired, but that it appears to be frequently necessary to generate sufficient income to support the family and especially to permit the hiring of staff. The research undertaken in this dissertation indicates that very few of the businesses had a desire to grow the business as an aim in itself, but that, especially in the Chilean case, several of the owner-managers expressed a desire to grow the business to create local jobs and development. Getz and Carlsen (2000) argue that when it comes to family businesses, growth of the company is unlikely to be pursued if it is perceived that it would interfere with family and lifestyle preferences. However, we saw that in the Norwegian case many of the owner-managers were not, as argued by Andersson (ibid.), geared towards growing the business but that they felt obliged to do so in order to generate sufficient profit. As argued in section 5.3 this often implied certain "moral dilemmas" for the owners, since they feel they are forced into or have to accept for instance a tourism development that they are not comfortable with. Clearly, many realized the advantages of staying small (i.e., avoid debt, reduce or avoid labour costs), although others also realized the advantages of getting big

enough to have employees relieve their own burden. Some of the studied owner-managers did also, however, resist growing the business since they perceived this would imply more responsibilities and more administration and was thus not compatible with their lifestyle aspirations. Characteristic of these owners was that they were women and had only a few years left before retiring; furthermore, they were characterized in that they regarded their business as "not important" and more of a "hobby" than a "business". These thus have elements of what Shaw (2004a) refers to as "non-entrepreneurs" in the sense that they were close to the age of retirement and were not interested in growing the business. However, "hobby entrepreneurs" may be a more correct description.

As argued in section 4.1, family businesses are often assumed to be risk-averse since they must place the security of the family ahead of potential growth. Risk taking is often described as a recognized characteristic of entrepreneurs, but we can see that in the Chilean case the owner-managers are too marginalized to assume too much, risk, at least financially speaking. Even though in many cases they would like to involve themselves in development that would imply more risk taking, there was no place to turn to for financial support. As for the businesses studied in the Norwegian case, they seemed in general cautious about getting involved in activities that would imply losing strict economic control, and that those with most "high risk" debt were also, as mentioned by Getz and Carlsen (ibid.), the ones that were most concerned with profit as a predominant goal. Most of the businesses in the Norwegian case were established as sole proprietorships, meaning that the owner-managers were personally responsible for any debt created by the business, and that any step in the wrong direction might thus have severe consequences in the sense that they could lose the family property or not find a new job in the community, both of which in the end might result in undesired out-migration. We can see that the same awareness is also found in other studies of small tourism firms in the Norwegian and Swedish countryside. Karlsson and Lönnbring (2001), who have studied small tourism firms in the rural communities of Gudbrandsdalen in Norway and Årjäng in Sweden, argue that the general attitude is that "caution is a virtue"[109] (p. 81). However, although rural small-scale tourism business tend to be risk adverse and place job satisfaction and family first, they nonetheless, as noted by Andersson et al. (2002), recognize the need to operate sound, competitive businesses: "Rjukan Hytteby also has very nice cabins. So they are in a way a competitor for us. Especially in the winter (…) We're going to

[109] "forsiktighet er en dyd"

develop the yard, we also have plans to build extra cabins and an extra service facility for the campsite to improve the quality." (Elizabeth and John).

Above we have summed up some of the findings related to the motivations, goals and visions of the owner-managers studied and we have concluded - as also observed in other studies - that a lifestyle- or family-orientation does not per se result in " financial suicide" or in stagnation of rural or firm development (e.g. Atlejevic and Doorne 2000). As argued in section 5.1, the concept of innovation distinguishes itself by the fact that it requires some sort of implementation of new ideas, new approaches and inventions. Thus, as argued in section 5.3, we also decided to not only look at the intentions of the owner-managers in terms of visions, goals and plans for the future, but also to look at what they have actually done, to determine their entrepreneurial and innovative capacity. In this respect we could argue that the firms studied in this dissertation are both entrepreneurial and innovative, for example with reference to both product and market development, and they have also acted as catalysts in terms of contributing to the development of their community. With reference to the list of possible sources of innovation by Shumpeter (1997), introduced to tourism by Weiermair (2004), we have thus found examples of the generation of new or improved products, such as with the introduction of ice-climbing on frozen waterfalls in the Norwegian case and production of ceramics and woven materials based on old techniques and tradition in the Chilean case; the development of new sales markets such as with the English ice-climbers and the second homes market in the Norwegian case and the tourism market as a new sales market in itself in the Chilean case; the reorganization or restructuring of the company which, as especially observed in the Norwegian case, seemed to be a continuous process. The owner-managers were continuously evaluating their product range, market changes or possibilities and thus also restructuring and developing the company according to these requirements. Regarding the model of Abernathy and Clark (1985), introduced to tourism by Hjalager (2002), we thus find examples both of niche innovations (often most commonly observed in small-scale rural tourism), such as the introduction of the traditional arts and crafts of the Mapuche-Lafkenche, as tourism assets. We could also argue that in the Chilean case, it is also possible to talk about a revolutionary innovation through electronic marketing and sales which are new both to the destination and the firms studied. Finally, we have even found an example of architectural innovation, which, according to Hjalager (2002), tends to "change overall structures, and establish new rules that remodel the concept of tourism" (p. 467). Hjalager thus refers to the example of Arctic tourism. In the Norwegian case a similar example is that of ice-climbing tourism which is certainly the exploitation of a new resource

transformed into a tourism asset. We could thus argue that in the Norwegian case the studied businesses, through their activities, have contributed to interesting changes in the local community, e.g. by placing Rjukan on the map as the best known ice-climbing destination in North-Europe or in spin-off effects for the accommodation sector and local commerce. In the Chilean case, the tourism activities are in themselves innovative in the sense that tourism is a new industry and a new line of economic activity for the Mapuche Lafkenche people. Furthermore, changes on the community level have also occurred in the sense that the tourism entrepreneurs have created, to use the terminology of Middleton (2001), "leading edge businesses that act as entrepreneurial role models inspiring others". The tourism project has also led to improvements in terms of infrastructure, electricity, portable water and has also created some seasonal jobs for some of the villagers. Thus, as argued by Getz and Carlsen (2000), people enter into small-scale rural tourism businesses in order to be able to live in a specific rural location and thereby they also clearly contribute to community development.

With reference to the more general impact studies we can thus see that we have found several of the reported and perceived positive impacts of tourism such as job retention, creation and diversity; farm support, income and pluri-activity; assistance of rural arts and crafts by recognition of their importance and by increased purchasing; enhancing the roles, jobs and power of women, to mention but a few. At the same time, few of the more negative impacts were reported by the owner-mangers themselves. We could thus, in line with a number of other empirical studies, argue that small and micro-sized tourism businesses both with and without a family orientation play an important role in the development of new products, market diversification and innovations in rural areas, and that they clearly contribute to the local economy, to the creation of new jobs and to maintaining local settlement. In his study of micro-businesses in European tourism, Middleton (2001) found that micro-businesses "comprise a seedbed of entrepreneurial and enterprise 'culture' on which much of the profit and employment prospects of big businesses ultimately depend'' (p. 198) (see also Slee 1998). Faulkner (2003) argues that entrepreneurial tourism businesses are often at the forefront of phase shifts in individual destinations and that "in the tourism context [...] it is feasible for an initiative of a *single entrepreneur* to precipitate a major shift in the evolution of a tourist destination" (p. 226, emphasis added), and that the entrepreneurial and innovative capacities of small and micro-sized tourism businesses eventually lay much of the foundation upon which big businesses depend. We could end this chapter by asking whether the claim that small-scale rural tourism businesses are not entrepreneurial and innovative is more of a "myth" than a reality and

more linked to the idea that “bigger is better” than to any real empirical facts. Thus, one could argue that small rural tourism businesses do represent a manifestation of entrepreneurship and innovation as more broadly conceived terms, albeit perhaps an alternative interpretation from that generally associated with entrepreneurship and innovation as defined by economic theory. We shall look more deeply into this in the following chapter.

Chapter 6: Small-scale businesses in rural tourism: Towards an alternative approach

In the former chapter one of the main findings was that the businesses studied in this dissertation do not fall within the more classic economic understanding of family business and entrepreneurship. In the following chapter we will thus argue for the usefulness of supplementing the deductive and economical approach applied in chapter 4 and 5 with a socioligcal theoretical base, and an explorative and inductive approach to the generation of knowledge in order to further enhance our understanding of the role of small-scale tourism businesses as catalysts for rural development.

6.1 Shortcomings of applied theoretical approach, concept and research approach

The deductive approach applied in chapters 4 and 5 has mainly drawn on theoretical input from the fields of "family businesses in tourism" and "entrepreneurship in tourism". We have argued that both these fields are relatively new areas of research and that the associated literature is highly dispersed and that theories, concepts and models are often drawn implicitly or "borrowed", for example from the wider field of family businesses, entrepreneurship and small (tourism) business studies. For instance, if we look at the table by Getz and Carlsen (2005), presented in section 4.1, which shows "Family Business Themes and Topics in the Tourism Literature", the most striking observation is the influence and domination of economic concepts and theories, and with reference to the study of entrepreneurship Atlejevic and Doorne (2000) argue that "tourism research, to date, has focused on the conceptualisation of entrepreneurship and informed largely by economic analysis" (p. 1). The argument of Page et al. (1999), referring to Curran & Storey (1993), that the knowledge we have about small tourism businesses is very much based on concepts and theories developed by "small business researchers with no connection to tourism and [that] tourism researchers have largely added empirical data to the knowledge generated" (p. 436), seems to be just as much the case today. However, in previous chapters in the present study we have seen that small and micro-sized rural tourism businesses seem to differ substantially from other small businesses and SMEs, and that this in turn may imply that existing theories might not be capable of grasping the complexities of the challenges and constraints associated with the operation, performance and development of rural small and micro-sized tourism businesses. Furthermore, and adding to the problem, is the fact that in most of the studies of small and micro-sized rural tourism businesses undertaken by tourism researchers there is, in line with the general tourism research as

argued in section 2.2, a tendency to apply quantitative techniques in gathering primary data. Although these investigations undoubtly provide valuable input about the special characteristics of tourism businesses in rural areas, they do not in most cases allow for more in-depth studies of reported challenges and constraints. For instance, the study by Getz and Petersen (2005) identifies that it is hard to separate work and family/personal life in a tourism business, but it is not possible to determine from their study in what manner and to what extent it is difficult, and concequently we could argue that this also will hamper the development of programmes or strategies to assist these businesses.

Furthermore, the extensive "borrowing" of theories, thoughts and concepts as argued above has, in the eyes of the author, resulted in a number of cases in what we would regard as a rather inopportune mixing of terms and notions taking pace, as well as rather poor practice in terms of clarifying the terms' contents and the way in which they are understood: this is problematic when one wishes to be able to draw conclusions and compare studies. A few examples will illustrate the point: in their article, "Growth and Profit-Oriented Entrepreneurship among Family Business Owners in the Tourism and Hospitality Industry", Getz and Petersen (ibid.) start immediately by identifying "growth and profit-oriented entrepreneurs among a sample of family business owners in two resort settings" (p. 220), but they do not define what they understand by the terms of "entrepreneur" or "family business". As far as the former is concerned, they simply establish that no precise definition exists and with reference to the latter, they point out that, in their study, identifying what are family businesses has been carried out based on local knowledge. Later in the article (p. 229) they emphasize that several of the family businesses included in the study had been aquired, and that in Bornholm there were a number which had been inherited, i.e. taken over from parents or other family members (appprox. 2.5%). In this respect it is legitimate to ask what makes the family businesses owners identified by Getz and Petersen to entrepreneurs? Entrepreneurship is as discussed in the former chapters often linked to creating something new, perhaps just the opposite of taking over something already in existence? On page 226 it emerges that 56.3% of the respondents have started their businesses themselves. One could thus argue that if one were looking for entrepreneurs, would it not then be more correct to departure the study in these respondents, instead of including absolutely all the businesses? And does the fact that the owners are or are not growth- and profit-oriented automatically make them entrepreneneurs? In the eye of the author the study by Getz and Petersen would be better of with the title "Growth- and Profit-Oriented *Goals and Motives* among (Family) Business Owners in the Tourism and Hospitality Industry", as this is

in fact the real subject matter of the study and article. The same argumentation may be employed in the case of Lerner and Haber (2000) and their article "Performance Factors of Small Tourism Ventures: The Interface of Tourism, Entrepreneurship and the Environment". Again, no clarification of the term "entrepreneur" is provided, nor why they chose the businesses they did. It seems that by and large they have been selected based on the criterion of a "representative sample" of small tourism businesses in the area. But again we can ask: What makes all of those chosen for this representative sample, entrepreneurs? The argumentation mentioned above also appears to be pertinent since, as described elsewhere, both small tourism businesses in rural areas and family businesses are generally characterized as lacking entrepreneurial and innovative capacity and skills. In the eyes of the author, not providing or employing precise definitions, and also assuming that all family businesses are in some form or another entrepreneurial, does not bring one any closer to an explanation or understanding of such matters. It is also according to the discussions in the former two chapters incorrect to simply conclude, as Getz and Petersen (ibid.) seem to do, that growth- and profit-orientated owners are more innovative and that they per se will create more jobs than, for example, lifestyle-orientated owners (p. 240). As we have pointed out in section 5.4, the fact that owner-managers are lifestyle-oriented does not preclude their simultaneously being innovative and also focused on creating jobs.

6.2 Entrepreneurship as a tool for rural development?

We may thus observe that the classic economic understanding of entrepreneurship, as argued in section 5.1, dominates the discourse on entrepreneurship and family business in tourism, and although researchers like Getz et al. (ibid.) admit that in the contemporary world the uni-dimensional and economic understanding of entrepreneurship is becoming regarded to be overly simplistic, they still tend to adhere to it to spur on rural development: "Mobilizing the growth-oriented entrepreneur should be a priority of economic and destination development agencies, as should the task of identifying *latent* entrepreneurship among those constrained by a lack of capital or professional advice" (p. 12). Thus, it may not be surprising to find that both private and public rural (economic) development programmes in Norway, Chile and most other Western countries are strongly influenced by the ideology, concepts and theories of the classic economic entrepreneurial paradigm, whose focus is on identifying and supporting profit- and growth-oriented entrepreneurs. In a report from the Norwegian Ministry of Local Government and Regional Development (2006), it says for example the following about women and regional development: "Female entrepreneurs

who have growth ambitions within the service sector get financial support."[110] In this respect Getz and Petersen (ibid.) highlight that there probably will always be a focus on growth and job creation in economic development programmes, even though "this tends to undervalue the majority of tourism- related businesses that remain small" (p. 220).

In general we could argue that both the theoretical and public discourse on entrepreneurship, business development, and success and failure are dominated by neo-liberal ideologies (see e.g. Bourdieu 1999), and that they, according to the research conducted, are probably not capable of grasping the totality of the complex, actual reality and conditions of rural entrepreneurship and the situation of small and micro-sized rural tourism business. Faulkner (2003) argues that in general the economic and management approaches to entrepreneurship have been focusing more on the outcomes of "entrepreneurial actions" (p. 222), and less on the structure of the entrepreneurial process itself or elements of change, and that these approaches tend to assume that a degree of structure and logic exists in the behaviour of entrepreneurs. This is, as he puts, it "unrealistic" (ibid.). Referring to various researchers, he argues that traditional models and methods used in the field of management are to date inadequate for dealing with the complex nature of entrepreneurship (p. 229). He thus highlights the need for a paradigmatic shift in the study of tourism entrepreneurship, arguing for theories and methods capable of grasping the chaotic and complex, multi-faceted aspects of tourism entrepreneurs.[111] Referring to Hall (1995) and Faulkner (1998), he argues that the traditional approaches to tourism research are focused on the analysis of relatively stable systems, which has resulted in "large gaps in the understanding of turbulent phases in tourism development and the underlying dynamics of change" (p. 224).[112]

[110] "Kvinnelige gründere med vekstambisjoner innenfor servicesektoren får økonomisk støtte", http://odin.dep.no/krd/norsk/tema/distrikts/presse/pressemeldinger/016061-070364/dok-bn.html, last accessed 28. August 2006.

[111] He argues especially for the Chaos Theory system approach, which "offers a more meaningful framework for examining and understanding change by virtue of its appreciation of turbulence as a feature of most systems" (p. 225).

[112] He argues that the "Newtonian or Cartesian research tradition" has dominated most of the social sciences. The Newtonian and Cartesian tradition is one of the dominant ones within the paradigm of positivism as discussed in chapter 2.

He proceeds by noting the following:

> "While entrepreneurial behaviour is often an integral part of the change process in the sense it may either be a response to, or an initiator of change, the understanding of this type of activity in the tourism context, and its relationship with turbulence and change, has been inhibited by the limitations of the Newtonian paradigm."
>
> (p. 224)

The classic economic entrepreneurial paradigm fails to account for non-economic determinants of entrepreneurship e.g. legitimacy, ideology, psychological factors and social mobility (McKay 2001). This is particularly significant when taking into account the family and lifestyle dimensions of small and micro-sized rural tourism businesses, as argued in the previous two chapters. Cromie et al. (1999) thus suggest that entrepreneurship in family businesses differs from economic entrepreneurship in that it incorporates a domestic dimension, indicating that entrepreneurship might have its foundation in the person, intuition, society and culture. Thus, Morrision (2000) argue that entrepreneurship is much more holistic than simply an economic function, and represents a composite of "material and immaterial, pragmatism and idealism" (p. 59). Several authors, including Shaw (2004a) and Ateljevic and Doorne (2000), thus argue that an understanding of small and micro-sized rural tourism businesses and entrepreneurs needs to be renewed and include considerations and perspectives such as those discussed above. Thus, in the following section we will argue for the usefulness of studing the challenges and constraints of the small and micro sized rural tourism businesses according to an everyday life approach, since this allows for including and paying specific attention to both the lifestyle and family dimensions as argued in chapter 4 and 5.

6.3 The everyday life approach: a sociological perspective

One of the main findings from the empirical analyses conducted in chapters 4 and 5 has been that the businesses studied were mainly inspired by lifestyle goals and objectives, and that the desire to develop or maintain a rural everyday life and lifestyle was the objective that seemed to apply regardless of gender, age or race (case area). As argued, earlier research indicates that lifestyle motives and goals among small-scale tourism businesses have been reported to be twice as frequent in rural areas. According to some authors, lifestyle motives and goals are a "family first" vision in themselves, but we have argued that such a conclusion is too simplistic since it ultimately implies that all lifestyle-oriented owner-managers are family businesses, which does not hold true.

However, we may observe that there is an overlap between lifestyle-oriented entrepreneurs and family businesses in the sense that both tend to prioritize what we might label lifestyle considerations at the expense of economic factors. We may argue that among small and micro-sized rural tourism businesses there is both a lifestyle and a family orientation or dimension, but that not all lifestyle-oriented businesses are family businesses and vice versa.

Thus, given the significance of the lifestyle and family dimensions of the businesses studied in this dissertation, and taking into account the limitations of the existing approaches as highlighted in the two sections above, this dissertation would thus argue for the usefulness of supplementing the more economically oriented theories with a sociological approach, and more specifically, an everyday life approach. Such an interdisciplinary approach would also be in accordance with the suggestion of Chua et al. (2003) who argue that within the frame of family firms and the potential shortcomings of the applied theories, it would be useful to borrow theories and concepts from the social sciences since this could "accelerate theoretical developments in the field because many of the concepts needed have already been examined in depth by scholars in disciplines, such as anthropology, finance, history, organizational theory, political science, sociology, and strategy" (p. 333).

Understanding the reflections and meaning-creation processes of the individuals within the frame of their everyday lives is especially relevant when dealing with small and micro-sized businesses in rural tourism because of the basically non-existing boundaries between everyday life and working life. While people with other jobs normally go to work and meet clients there and leave their tasks at work when going home, tourism - especially small-scale operations as in rural areas - is often characterized by the clients (the tourists) stepping in and out of one's everyday life and often even becoming part of it for shortish or longish periods of time. Getz and Nilsson (2004), in their study of the way in which family-operated tourism businesses in Bornholm, Denmark, coped with cyclical demand, detected a number of strategies used by the enterprises either to counter cyclical demand or adapt to it, and all of the options had an important impact on family life. Getz and Carlsen (2005) point out the need for studies of the way in which entering the tourism industry affects the everyday life of family-run businesses, and highlight in this context that since "a high proportion of tourism businesses are owned and operated by couples, there is a need to examine how they arrange ownership, balance family and business life, bring children into the business (if at all), and plan for ultimate disposition of the business" (p. 251). A recent comparative study of family-operated tourism enterprises in Canmore, Canada and Bornholm, Denmark demonstrates

that at both destinations separating work, family and one's personal life was perceived as highly difficult when operating a tourism business (Getz and Peters 2005).[113] Tourism businesses and entrepreneurs are highly entangled in the making and remaking of everyday life as local residents, neighbours, taxpayers and employers, and their social impact, especially in a rural setting, is, according for example to Middleton (2001), significant, as they are "part of the lifeblood" (p. 199) of the community. Thus, in the eyes of the author employing an everyday life approach to the challenges and constraints that the small and micro-sized rural tourism entrepreneurs experience will provide a more complete and profound understanding of the high rates of failure of such businesses, and thus also provide an interesting supplement to the understanding of the role that these businesses might have as catalysts for rural development. Furthermore, we could argue that although the rural businesses studied in this dissertation are very different, representing different countries, societies and cultures, they all share the common feature of having an everyday life, different though it may be.

6. 4 The everyday life according to Alfred Schutz

Alfred Schutz (1899-1959) is considered to be the father of the everyday life approach in the social sciences. He was greatly inspired by Edmund Husserl's phenomenological philosophy, and like him was interested in emphasizing and proving the difference between what he labeles *Naturwissenschaften* and *Geisteswissenschaften*, not least in terms of the way in which these should be treated and explored scientifically. Through his approach, Schutz attempts to draw away from the worldview and view of humans of the positivistic paradigm, and his theoretical contributions comprise a transformation of philosophical phenomenology into a sociology of the everyday life.[114] Schutz's everyday life approach is thus interesting in our context because it purely ideologically aspires to an approach to the understanding of the relationship/context between humans and society which disassociates itself from the positivistic and Newtonian paradigm which we, in the sections above, have argued underlies the majority of the economic business studies' approaches in tourism research; his approach also corresponds better to the philosophical and methodical foundation of this thesis, as explained in sections 2.3 and 2.4. A second argument is also linked to the fact that very many of the more recent theoreticians of everyday life and modernity, whether they would

[113] Statement: "It is hard to separate work and family/personal life in a tourism business". On a scale from 1-5, where 1=''not at all important'' and 5=''very important'': the question was rated 3.71 in Bornholm and 3.69 in Canmore.
[114] In working to form a phenomenological sociology, Schutz attempted to integrate Husserl's consicousness philosophy with Weberian theory. Schutz is especially drawn to Weber's work about social action and ideal types. He also shares Weber's view of sociology as a an understanding science (Schutz 1975).

admit it or not, are strongly influenced by and build implicitly on Schutz's works.[115] Schutz's oeuvre is extensive and in the clarification in the following sections, a description has been emphasized of those aspects of Schutz's everyday life which are experienced as the most central in relation to this thesis, i.e. his view of everyday life, the everyday human and everyday knowledge.

6.4.1 Everyday life and its central characteristics

The term everyday lifeworld is used by Schutz to refer to the intersubjective world which existed long before we were born and which was experienced and interpreted by others, i.e. our forefathers, as an organized world (Schutz 1975: 61). The everyday lifeworld is given to us in historical and cultural forms, which we experience as *universally valid*. It has a history (past) and an immediate future, and the present world in which we find ourselves is given to most people in approximately the same way. As humans and individuals we orientate ourselves, according to Schutz, in our everyday life first and foremost based on our *biographical situation*. When we are born, we thus encounter a pre-interpreted world, and from day one we become socialized into an everyday, already shaped by our "socialization agents" (family, local surroundings, school, etc.). Everyone grows up in a certain social situation with certain others. Nobody starts at zero, but in a historical reality. But although we experience our everyday life as universally valid, we translate and interpret our experiences in the light of our own collected and lived experiences, and this is what Schutz refers to as "biographical situation".

The everyday lifeworld is experienced spontaneously and based on *the natural attitude*. Schutz's inspiration for the notion of the natural attitude came from Hussler, and it is the hallmark of a "commonsense" attitude – a belief that the world is given and natural, it exists here and now, not just for myself, but also for others. The everyday lifeworld is thus one which is rarely problematized or questioned. The natural attitude means that a host of actions and activities may be performed without one having to pause and think about every little event. In everyday life we perform a whole number of such "automatic" actions: we get up in the morning, we brush our teeth, etc. Through the natural attitude, the belief in the reality of the world is created and maintained. In this lies not just a belief in the world's permanence, but also doubt being set to one side.

[115] Even though Giddens, for example, would strongly disassociate himself from phenomenology his thoughts and theories have clear coalescences with and are inspired by Schutz's thinking.

Schutz (1975: 69) himself points out that the hallmark of our lifeworld, our shared intersubjective world, is on the one hand that it is not my private one, but shared by us all; on the other hand, in this world there are fellow human-beings, to whom I am related through a plethora of social relations. In the intersubjective world, which is defined as the arena of social action, humans establish relations with one another by trying to give meaning to one another and to oneself (ibid.) Schutz pointed out in this regard that *two forms of meaning* exist, subjective ones, which are meanings formed based on an individually perceived understanding of reality, and objective ones, formed in social intercourse, on the basis of a form of collective, culturally perceived understanding of meaning (Nygaard 1995: 100).

The world consists according to Schutz (1975) of clearly delimited objects possessing certain qualities among which we move and which offer resistance, and which we can act on and which can act on us. Everyday life is the stage and, at the same time, the object of our actions, interplay and interactions (Schutz 1973: 208). We must master it and change it to realize our goals among our fellow humans (Schutz 1975: 61). The everyday lifeworld is for Schutz thus also an energetic and active world, "The world of working in daily life is the archetype of our experience of reality" (Schutz 1975:12), in which we as humans first and foremost have a practical interest. In the everyday world we have a pragmatic motive, an *intention*, which controls our natural attitude. The world is something we must change through our actions, or which changes our actions. Schutz points out in this regard that we see and decide the conditions of everyday life based on whether they can be controlled (i.e. be both directed and changed) or whether they are uncontrollable (Ulff-Møller 1975: 10). And change occurs either physically by our body movements affecting the surroundings, or based on an assessment of motive and consequences within the frames of everyday life. Reflecting on experiences and actions in everyday life involves, however, suspending the natural and unshakeable belief for a short while and entering into *epoché*[116], in which we bracket preconceived meanings, so through the *reflexive attitude* to be able to give a pure and non-presupposed, objective description of what we experience so that we really experience it, without "disturbances".

Everyday life is the social scene of action on which humans establish relations with each other by trying to give *meaning* to one another and oneself, and social action must be understood in light of

[116] Also a term Schutz has borrowed from Hussler.

the meaning it possesses for the actor. For the individual, interpreting the world is to act in it and understanding the social world involves understanding the way in which humans define or describe different social situations. For Schutz, *understanding* is the understanding of meaning and patterns of meaning, and there are two forms of understanding: the immediate, and the reflecting understanding. The immediate understanding is ascribed to the lifeworld, while the reflecting understanding is something which in the main belongs to the world of science (see e.g. Nygaard 1995, Gardiner 2000). In line with Henri Bergson's philosophy of *la durée*, Schutz thus links actions with time. To understand an act, one must interpret it based on the time stream of experience. This time stream is lived immediately and unreflectively (ibid.). The phenomenon must be experienced, understood and codified by the consciousness.[117] Schutz (1975) thus believes that *things only become meaningful retrospectively*, i.e. when I perceive them as earlier, clearly delimited experiences, and thus that only experiences which can be remembered beyond their actuality can be subjectively meaningful (p. 63). Meaning is thus, according to Schutz (1975), not a quality innate to certain experiences and things; it results from an interpretation of earlier experiences, seen from our present stance, with a reflecting attitude. In addition, Schutz (1975) believes it is important to distinguish between *meaning and motive*. Meaning refers to the way in which the actor decides what is important in his or her reality, whilst motive refers to the basis for the actions.[118] The meaning of what one does is "discovered" through reflection, which leads to the actors being able to operate with two different motives:

- *The in-order-to motive*: provides the grounds for the motivation for actions directed towards the future. This motive has its point of departure in the actor's subjective understanding of meaning.
- *The because motive*: Gives meaning to actions which have taken place in the past. This motive is directed towards the legitimization of earlier actions in relation to generally accepted magnitudes of meaning (Schutz 1975, Nygaard 1995).

[117] This is one of the conditions which, for example Berger and Luckmann's (1967) phenomenologically inspired construction theory builds on, in that they demonstrate the way in which there is a construed or arbitrary relationship between expression and content or things and meaning. An area in which this may be seen is in their socialization schema: a) Internalizing: the symbol established is internalized, b) Objectivize: The meaning is built in or leaves socio-material traces and c) Externalize: The individual starts using the symbols established (Berger and Luckmann 1967).

[118] Schutz criticized Weber for not differentiating sufficiently between meaning and motive (Nygaard 1995).

Both these motives are a function of the life of the consciousness in time. While acting, one sees only the in-order-to motive. Only by returning to the completed action (act) can the actor retrospectively grasp the because motive, but then the actor is no longer acting, but (self)-reflecting. To understand the act, one must thus return to the act with a reflecting attitude.

Schutz differentiates between the everyday world and all the other worlds not taken for granted by the natural attitude. He mentions the world of dreams, of fantasy, the world of science, the world of art, the world of children's play, etc. Each day, according to Schutz, the human moves through the different realities in the form of leaps[119], and each time the boundaries are transgressed, this is experienced as an inner shock. That these daily leaps do not disrupt our belief in the reality of the world is, according to Schutz, because the everyday lifeworld is the paramount world, "the paramount reality" (Schutz 1973: 230), which is thus based on the apparent truth of the natural attitude (ibid. 232). For Schutz, everyday life is thus everything we do, which we do not notice we do, but which we nevertheless experience as the most natural in the world.

6.4.2 Everyday knowledge and the interruption of the stream of habits of the everyday

In our everyday we have knowledge about the social world and the world of nature "automatically to hand", and we orientate ourselves based on our biographical situation and interpret and understand events and experiences in everyday life based on our store of earlier experiences in the form of "prior knowledge". This everyday knowledge is passed on to us by our agents of socialization and "given us" in cultural and historical forms, which we perceive as universally valid, but as we grow we translate and interpret such everyday knowledge against the background of experiences in our own life. Everyday knowledge is characterized by being natural, stable and pre-given, and is in many ways the opposite of scientific knowledge. It is the *routine* knowledge which we are familiar with in daily life. Science overall has a limited extent in our daily life; we are only partly interested in and partly aware of the background on which we build our decisions and different life areas (Schutz 1975: 133). We do the things we have always done, in about the same way, and do not ask why. We go to work Monday to Friday, and we take it for granted that we will do so next week. We do not think about why we do this or whether there could be any better alternatives.

[119] Schutz refers to Kirkegaard and the term "leap", i.e. a radical change in our consciousness which has its basis in another *attention à la vie* (Schutz 1975).

We thus regularly employ successfully the *habits*, *rules* and *principles* of everyday knowledge but without being especially conscious of their origin or actual relevance. The rules often have the character of rules of thumb, but their validity is rarely challenged and/or verified. Schutz thus points out that within the everyday lifeworld our social acts and patterns of consciousness are not coloured by *conscious* purposive rationality, as Weber and Parsons seem to contend, but rather by "unconscious" typifications and "cookery book actions" (Nygaard 1995: 96). What is new and different is described as unusual, as it is considered based on a background of what is usual, i.e. the typical (Ulff-Møller 1975: 10). Schutz (1975) uses a as argued a cookery-book metaphor to explain our cook-book actions and patterns. Daily routines are often a result of general, known rules and procedures or a result of recipes of how "this and that" should be done *chez nous*. Most of our daily activities from the moment we get up to the moment we go to bed are of that type. They are performed by following recipes, which are reduced to habits or (seemingly) disinterested banalities: "but of course it is...", "it's completely natural" or "that's just the way it is". Habitual actions are of a stable character. After one has established the habit by doing things in a certain way, the individual will experience it as difficult to change, "well, we've always done it this way at ours". However, no further explorations have been performed of our habits or the consistency of the rules of thumb, and therefore there are no guarantees for the reliability of the assumptions which control us in our daily life. On the other hand, these very habits and rules of thumb are enough for us to master our daily lives, as satisfying the demand of the moment requires no extensive reflection, but rather has the form of the act of a "reflex". We are satisfied if we have a reasonable chance of completing our goals, and we believe that we do as long as we use previously tried and tested habits, rules and principles. Schutz (1976: 76-77) thus points out that we only problematize everyday life to the extent that this can give us new knowledge about our own situation and to the extent that this can help us solve the practical tasks of the everyday.

Everyday knowledge is thus a true "hodgepodge" of many different forms of knowledge, in which well documented facts are blended with assumptions, prejudices, motives, aims, means, causes and effects, which give meaning to our experiences, but without there being in this a clear understanding or reference to the actual or real connections between the different forms of knowledge. Everyday knowledge is not without hypotheses, inductions or predictions; however, they most usually have the character of being approximate, typical (typifications) and often

generalizing. The ideal of everyday knowledge is possibility and probability[120], and not certainty. Thus we say that our hypothesis has been confirmed or refuted as in the scientific world, but that our hope for or our fear of something was not well founded (Schutz 1975). In the repertoire of everyday knowledge, there are, as we can see from the examples above, holes, omissions and contradictions everywhere. What characterizes everyday knowledge is thus also that the explanations and arguments are valid even though they are not without contradictions. There is enough context, clarity and consistency to understand and be understood.

Schutz (1975: 135) thus points out that thinking or doing is usually maintained a) as long as life and especially social life continues to be the same and that we can therefore use the ”instructions” which we have employed earlier with success; b) as long as one has confidence in the knowledge one receives from parents, teachers, governments, traditions, habits, etc.; c) as long as in the course of the usual course of things knowing something *about* the general type or style of the events which we can encounter in our lifeworld is enough to master or control them; and d) that neither the systems of recipes or the schema of interpretation or expression or the above-mentioned basic assumptions are our private affair, but that they in the same way are accepted and used by our fellow humans. It is thus only when a problematic situation arises (Nygaard 1995: 98) or, for example, when encountering other cultures also possessing everyday knowledge, that we embark on questioning a part of our everyday life and elements or the existence of everyday knowledge. Schutz (1975: 135) refers to W.I. Thomas and his notion of ”crisis” to explain what occurs when one’s stream of habits is interrupted by new conditions for consciousness and praxis arising. An example of this is a change in one’s life situation such as becoming a parent, getting divorced, being widowed, etc. An interruption in the stream of habits could also be a change in one’s class affiliations, for example going from having grown up in a working class family to establishing an urban middle-class family. A third could be working with tourism during which one constantly encounters people possessing very different everyday life backgrounds. According for example to Jafari (1987), tourists exist in a non-ordinary world at the destination, while host societies remain in their own ordinary world. He argues that this differentiation is, in some way or another, a clash of cultures.[121] However, whether or not the meeting results in a clash of cultures, it is likely that the

[120] But not probability in the mathematical sense (Schutz 1976: 73).

[121] Whether this can be described as a clash of cultures will of course depend on the types and origins of the tourists, for example a tourist from a neighbouring community is not likely to bring values and norms very different from one’s own.

process of working with tourism will place the habitual and taken-for-granted thoughts and actions of the tourism entrepreneurs into question and reflection, which might introduce and create new conditions for thought and praxis and result in change.

6.5 Summing up

In this chapter we have looked at the shortcomings of the applied theoretical approaches, which as argued are very much based on concepts and theories developed by small-business researchers with no connection to tourism, and which have involved tourism researchers largely adding empirical data to the knowledge generated. Furthermore, in this context we have argued for the usefulness and relevancy of supplementing the more economically oriented theories with a sociological approach, and more specifically an everyday life approach. We have thus presented the main aspect of the everyday life approach as developed by Alfred Schutz, its founder within the social sciences. Schutz's greatest contribution to social science is perhaps that he, through his everyday life theory, has placed focus on and legitimized everyday life as a field of research interest and law, while many of the more recent theoreticians of everyday life and modernity, whether they would admit it or not, are often strongly influenced by and build implicitly on Schutz's work.

Eilert Sundt defined everyday life as the life of ordinary people, whilst Bech-Jørgensen (1994) points out that everyday life is the life we live daily (p. 150).[122] Gullestad (1996: 169, 174) points out that the term "everyday life" has in recent years undergone radical change, both in terms of its designation and as a popular symbol. This change implies both a certain *revolution* and a certain *extension* of the meaning of the concept. This manifests itself to some extent in that, unlike earlier, the opposite of everyday life does not primarily consist of parties or holiday (for example the contrast between the everyday and "holy-/holi-" day), but the market and bureaucracy, where everyday life (implicitly) is contrasted with bureaucratic organization (Gullestad 1996: 175-7). Everyday life today, Gullestad thus argues, is about society being seen cross-sectionally, with the point of departure in the individual, the family and the home. Everyday life can thus be regarded as the opposite of society at large, an arena in which impulses and impressions from our daily activities in everyday life and society at large are interpreted, integrated and become a part of our attempt to create understanding and meaning in life. Everyday life is thus the designation of the

[122] Bech-Jørgensen (1994: 150) argues that everyday life cannot be defined. No matter how much we exert ourselves, there will always be aspects to it which cannot be defined.

horizon of signification based on which all different situations of action are interpreted (Nørager 1998: 141). We can thus see that what is also special about the term everyday life is its cross-sectional character, not connected directly to a certain institution or locality, such as a local community or place of work. Gullestad (ibid.: 23) points out that what is common to terms such as household, local community and local surroundings is that they "signify social community defined using a spatial, physical component"[123], and that everyday life as a theoretical and analytical frame cuts across such institutional or substantial fields. "Everyday life" is a scientific term and an angle which draws together a number of common aspects. Karlsson and Lönnberg (2001) argue that when research attends to exploring factors related to why people initiate or run small businesses, it may be fruitful to take one's starting point in *the total life situation of people*. Thus, in the following part of the dissertation we will through an explorative everyday life approach and by letting the narratives or stories of the owner-managers guide the way, try to obtain a more profound understanding of the challenges and constraints of operating a small-scale rural tourism business and thus also hopefully of role that these firms might play as catalysts for rural development. Through this approach we shall also be setting out on a journey after which the final objective also will be to test the very premises of the everyday life concept and the theory of Schutz itself.

[123] "betegner sosiale fellesskap som er definert ved en romlig, fysisk komponent"

Part 3: Small-Scale Rural Tourism and Everyday Life: Challenges and Constraints

"Of course there's a price to pay, it is not easy, because sometimes some members get sick of it and they want to see results straightaway."

(Claudia N., leader of the local tourism organization in ADI Budi)

As argued in section 1.3, the rate of failure of small-scale (rural) tourism businesses is higher than the average rate of failure of small-scale firms more generally, but research into the reasons for the failure or success of small or micro-sized tourism businesses hardly exists. As Getz et al. (2004) argue, predicting such successes or failures or even just weighing up all the consequences of such is currently not possible. Just by looking at the businesses that have been investigated in this dissertation, the empirical material shows that, in the Chilean cases, four of the businesses financed initially are still not in operation. As Claudia N., the leader of the local tourism organization tells us: "It wasn't a success, when we turn up at theirs with tourists, they aren't there, etc. (...) One in Piedra Alta, a woman in Wapi Budi, a woman in "Qetcuwague" (*sic*) and a man on an island called Nahuel Wapi." She also points out that a number of the new businesses are hardly up and running at all: "Inland on Huapi we have another one. There's a cabin, a ruka, but the ruka is completely empty. They say that the ruka is a museum, but that's a lie. It's nothing like a museum. The ruka is completely empty inside (…) And if we continue walking around, there's a gentleman Mario C., who has his initiative – had – they made a kiosk for him so he could sell *mudai*[124], fish, fizzy drinks (...) He also offered tours of the unspoilt nature and so that people can learn more about plants, the names of them and how they can be used to dye fabric or make medicine. But none of this was feasible. The work hasn't been completed, because they made him a temporary bridge, and he did it up afterwards, and then it fell down in the wind and he (...) the only thing he's waiting for is for them to give him money, but he doesn't contribute at all himself. The kiosk they made for him is empty, not even a bottle of *mudai*, let alone any fizzy drinks, no biscuits, nothing. In other words, a project that's already more or less dead." She continues by telling about another one of the businesses: "And there's where we end, we carry on along the road towards Pto. Dominguez where

[124] Mudai is a traditional Mapuche beverage.

there was a campsite called Lug Kurra, a Mr Blanco ran it, but he also grew more and more distant and ended up not participating anymore." Claudia N. also recounts that one of the other businesses is basically not operating as the woman who ran it had a baby which is seriously ill; at yet another business, the traditional Ruka has burnt down and thus has run into trouble. It also became increasingly clear during the conducted research that at least four of the other businesses were basically not yet operational.

However, in the Norwegian case, too, it was possible to observe a certain desire to desert the business. One of the owner-managers actually starts the interview by saying that he is looking for a way to get out of tourism; yet another business owner tells of plans to shut down the enterprise. Studies conducted in Australia indicate that as many as one-third of all new tourism businesses fails by the first year and two-thirds by the fifth (see e.g. Getz and Carlsen 2000). Getz and Carlsen (ibid.) also refer to Tourism Victoria: in this regional agency's handbook *Starting Up in Tourism*, they advise potential entrepreneurs to really consider whether they are the right people for the job, as starting up with tourism in most cases implies that it will often take "years to generate a profit, it will probably take more hours of work than any office job, guests can be very demanding, and privacy will be scarce" (p. 549). Furthermore, according to Getz and Carlsen (ibid.), readers of the handbook are also asked whether they have considered how running a tourism business will affect their families.

The second part of the dissertation focused especially on the first two research questions presented in section 1.3. In this part of the dissertation we will consentrate especially on the third research question. Ideally, this should, together with the insisghts from part two, provide a deeper and more complete understanding of the research theme. By supplementing the more deductive approach and the findings from part two with an explorative everyday life approach, we will also as argued elsewhere search for possible explanations for the high rates of failure, indicated above, of small-scale rural tourism businesses, and ideally provide some insights that may help guide future policy plans and programmes aimed at developing and improving the operational conditions of small-scale rural tourism businesses. Throughout chapters 7-10, we shall thus look into a vast number of challenges and constraints that deals with both internal and external conditions of the studied businesses. Furthermore, we will experience that while some of the challenges and constraints are industry-specific, others are related to the geographical remoteness of the businesses and other are more generally related to the smallness of the firms.

Chapter 7: Living off or with tourism?

"Tourism is a business, and you need to know how to do it. And they say it's a strong one, strong in terms of income, but we haven't made it there yet here. We're still at the most 'basic' level, still in nappies (...) People still haven't come who have spent a lot of money, life hasn't changed yet (...) But people say that over time this could happen."

(Miguel)

In chapter 5, we revealed that most of the owner-managers studied in this dissertation had started up with tourism due to economic considerations; tourism was perceived as an economic means to develop or maintain a rural everyday life and lifestyle. In this chapter we have collated a number of issues and challenges reported by the owner-mangers which *directly* affect the short-term (and long-term) economic survival of their businesses, more specific factors related to income generated, the size of the market, capital and marketing issues and prizing policy. In section 7.1, we will thus look into aspects of income and profit generated from the tourism business; in section 7.2 we deal with challenges related to the size of the market, fluctuations in demand and seasonality; in section 7.3 we look into issues related to a lack of capital and access to such and financing; in section 7.4, we look into issues of information and the marketing of their businesses and products, 7.5 looks into the issue of pricing policy and section 7.6 sums up the findings.

7.1 Income and return on investment

If we start with the Chilean businesses, the majority of the owner-managers report that tourism has helped improve their personal and family finances, and from Impulsa's records we can see that the annual turnover of the businesses for the summer season of 2001-2 amounts to some 50,000 to 800,000 Chilean pesos[125] at the most for the participating initiatives (Impulsa 2002: 31). In chapter 5 we argued that there seems to be a difference between the older and the younger Chilean owner-managers in their motivations for having started up with tourism in the first place; and there also seems to be a "age difference" regarding whether and to what extent tourism has contributed to their personal and family finances. In general, the older owner-managers do perceive that tourism contributes, although they find it difficult to provide specific figures for annual turnover since they

[125] Between NOK 60-90,000 kr. as of june 2006.

do not keep accounts and the money from sales or visitors goes in general directly to daily housekeeping costs: “The tourists have helped me a bit. I didn’t do this work before and I couldn’t find any money, I had to sell a piglet, a lamb to buy in. But not now, thanks be to God, I have all I need for the project” (Liliana). Among the younger owner-managers Claudia L., who makes traditional handicrafts and pottery, argues that tourism contributes as it “gives the family an income and covers monthly expenses (...) the money I get from selling handicrafts has helped me a lot, I’ve been able to buy things for my son for school, shoes, etc. Bits and pieces for me, and other stuff.” However, Claudia L. also recognizes that ”it’s the same for me as for the others I think, it’s a small extra income, it’s not a lot, but it’s a little which does help us”. Paula, who sells traditional Mapuche food, also recounts that tourism has contributed to the family finances; although it is a “slow” business, she is very optimistic about the future: “It has helped (...) it’s a slow business, but I believe that in the future (...) I have a lot of hope. I believe that in the future we will get ourselves customers.” Sergio, who has not yet been granted financial support for his business and is just initiating it, argues that “I have learnt a lot. But not earned anything in terms of money, no.” In general the attitude seems to be that tourism may not contribute that much, but that it is ”better than nothing” (Javier). Miguel who runs a campsite at the beach argues that even though his business is the one with the largest annual turnover, tourism has not yet changed the family’s everyday life in economical terms; at the same time, however, he seems to agree with the optimism expressed by the other owner-managers about the future: ”Tourism is a business, and you need to know how to do it. And they say it’s a strong one, strong in terms of income, but we haven’t made it there yet here. We’re still at the most ’basic’ level, still in nappies (...) People still haven’t come who have spent a lot of money, life hasn’t changed yet (...) But people say that over time this could happen. No, it has not changed our lives yet, although we’ve been working a lot (...) in a way ‘out of love’ for our initiative (...) so that it doesn’t just waste away to nothing.” Arturo, who runs a small Mapuche cultural centre, also argues that tourism has contributed to the family finances, but that the income is unstable: “This year I’m having some trouble. Last year it really helped. So far this year I’ve made nothing, I’m waiting for the harvest, but it’s very bad, the price for potatoes is disgraceful. So we’re racking our brains to find out what we can do to cover the girls’ school expenses. So we mustn’t give up and must keep on hoping.”

Thus we can see that for all the Chilean initiatives, tourism does not yet provide a year-round income, but functions as a supplement to the traditional family income, which as argued elsewhere, mainly is farming. Claudia L., who is the only one not involved in farming, supplements her income

from tourism by teaching: “Teaching ‘fills’ what tourism doesn’t cover. I give classes in the villages (...) I also give classes in Temuco, I do two days there.” As regards the Chilean initiatives, tourism in terms of income and surplus has not yet fulfilled the owners’ dreams of a better everyday life, which was their main motivation as expressed in section 5.2.1, but it has helped to maintain them. Most of the owner-managers also think that their tourist business will become more profitable, since they are still in the process of initiating and building up their businesses and the industry as such. Claudia N., the leader of the local tourism organization argues that tourism as a business implies a long-term perspective: “Because tourism isn’t about making money, tourism is first and foremost about work, you don’t see the results straightaway. Like with a seed, the earth has to be well worked so that the seed can become a lovely, flourishing plant. It’s the same with tourism. In just one or two years, one can’t get a return on one’s investments.” When asked whether he thinks that tourism is a good way for the Mapuche-Lafkenche to change their everyday lives, Miguel, who besides Claudia N. as argued has the longest experience of working with tourism in ADI Budi and is also a local community leader, argues that his perception is that tourism could be a supplementary source of income for those families involved but not so much for the community as such: ”Well...(...) it’s a source of income more for the families, the ones who are a part of it.”

In 1999-2000 the added value of tourism in Tinn was estimated to 150-170 million kroner (Thorsrud 2001: 3), and one of the greatest differences between the Chilean and Norwegian initiatives in terms of the contribution to personal and family finances is thus also the fact that none of the Chilean initiatives is capable of living off tourism as the sole source of income, while at least two of the Norwegian businesses can: “And in fact if we look back at the income we’ve had from the winter season from ice-climbers, in a sense it’s a year-round income which is good enough to live off. It’s not a huge amount, but we get by” (Elizabeth and John). Lise Lotte who runs an animal farm also argues that the income she makes is enough for her to maintain her lifestyle with no family to support: “I now have a pre-tax income of about 150,000 from riding and sleigh rides.” Per and Gry who sell natural and local cultural activities argue that nowadays they make good money, but only for the last one or two years: “We didn’t make good money for a long time, but now we do.” Special about the Norwegian businesses above is that they are run by the very same people whom we in section 5.2 identified as the lifestyle immigrants to Tinn. We could thus argue that tourism seems to be an economic means to fulfil the dream of a better everyday life for the owners’ of these initiatives, since they are capable of making a living off it. However, by looking at the material more closely, we can see that Per and Gry have chosen to attend to other market segments,

and Per would argue that they do not really regard themselves as a tourism business, even though we could argue that most of their products (bungee-jumping, ice-climbing, etc.) are based on tourists. When asked whether their clients mostly consist of tourists, Per responds by saying that "we have almost no drop-by customers at ours"; he thus reveals a view of tourism as an "drop-by" industry. Per and Gry recount that bungee-jumping is an important source of income, but that they are currently throwing their efforts into the business segment: "Business customers are generally what we want"; this indirectly expresses that there is more money in such clients. The business segment is perceived as a more profitable market and provides a more predictable income, which allows for the season to be extended, and thus the firm to be run on a "year-round" basis. Another characteristic shared by the initiatives above is that the families do not have children living with them permanently. It is thus interesting to note that Lise Lotte, for example in section 5.2.1, was very conscious of the fact that it would not be possible to fulfil her lifestyle objectives with three children to support, and that she moved to Tinn when only her youngest child was still at home. Another owner-manager who also highlights the problem of making a year-round income from tourism when you become a family is Lena who runs a traditional tourist cabin in the mountains: "Part of the problem is: you don't get rich by running a cabin for tourists (...) our salary costs are far too high, but on my own I could have lived off it well, but with a husband, children and house and that sort of thing it's just not possible. But I managed to live off it when I lived in Rjukan, when I had a flat up there, it went really well. But of course, we could get by on it if we really had to." Thus, Lena is recounting that they would have had to choose a simpler lifestyle if they were to live off tourism, and that this would also imply her having to cut costs, which would affect the quality of her product and services; but for her this is no option: "So I think we could have got by if we really had to. And the level of service could be reduced to get costs down, but that would have affected the whole thing, and I don't think it would be worth it." Stein, who runs a traditional handicrafts centre, also highlights that if it were not for all the voluntary work, it would be difficult to run the centre on a year-round basis. Theodora, who operates a traditional summer pasture, points out that she is left with a small profit, but that she wishes that it were more: "Of course we end up making a small profit, but I would rather it were more." For the rest of the Norwegian businesses, tourism is a supplement or supplemented with other incomes.

In their study of micro businesses[126] in rural tourism in Norway, Holmengen and Akselsen (2005) found that the average level of income in most sectors was negative (p. 15); and as we can see, the Norwegian businesses studied in this dissertation also struggle to survive. As far as the three businesses that live off tourism alone are concerned, the income generated is enough for a lifestyle which does not include too high fixed costs, too high material standards of everyday living and not too big a family, with preferably no children to support. In most of the Norwegian cases, like in the Chilean ones, income is supplemented with other jobs or pluri-activity e.g. farming.

7.2 Market size, seasonality and the growing importance of the cabin market

In chapter 3 we argued that the total demand for tourism is much higher in Norway and Tinn than in Chile and ADI Budi. This is as argued mainly related to the fact that tourism has a longer history and is a more established industry in Norway and Tinn than in Chile and ADI Budi. One of the often mentioned challenges of tourism is cyclic demand. Getz et al. (2004) argue that seasonality "results in fluctuations in tourism volumes over the calendar year, and must be differentiated from longer-term business cycles and short-term changes related to weekly and daily travel patterns" (p. 85). Getz and Nilsson (2004) argue that it is important to recognize that the seasonality "problem" is, at least to a certain degree, culture-specific. If we thus look at the businesses studied in this dissertation, they are all affected by seasonality factors and fluctuations in demand, and they all have their peaks during the summer season[127]; several of the businesses shut up shop when the summer season is over (e.g. Theodora and Claudia N.).

The Norwegian businesses, with a few exceptions, report several thousand visitors during the season, "we've worked out that we have about 5-6,000 people visiting the pasture in the summer" (Hanne); "Last year we had about 5,000 overnight visits (...) including the winter. There were about 700 then. So we had just over 4,100 or thereabouts in the summer, which we think is very good" (Lena). The local tourist office in Tinn reports that in total they do not know exactly how many people visit the municipality during the year, but that they had a total of 157.427 overnight stays in 2006, of which 58.180 between June and August (Anita Tapio, personal communication, e-mail). Getz and Nilsson (ibid.) argue that one way of measuring extreme seasonality in demand is to measure the proportion of total demand experienced in the peak season. If 50% or more of total visitor arrivals appear in peak season, extreme seasonality occurs. Furthermore, we may observe

[126] Which they define as businesses with 0-5 employees.

[127] For the Norwegians this means from June-August: for the Chileans, December-February.

that the second-home or cabin market plays an increasingly important role for many of the Norwegian businesses also during the shoulder-seasons: “We have so many second-home owners who live in the area, who trek from Tuddal to here and (…) drive a long way just to come here and try the food.” One of the business owners actually started up the business and planned her product on the basis of the nearby cabin market. Thus, those who are often referred to as ”the part-time inhabitants” of rural communities in Norway emerge as a very important segment also for the small and micro-sized tourism businesses of Tinn.

In the Chilean case, the low number of visitors is reported to be a challenge: “This year no tourists have passed by. Last year I think we had two” (Daniela). In general in the Chilean case the total number of visitors is much lower than in the Norwegian case, and the extreme nature of the seasonality factor is even more pronounced. Nelda who is responsible for the area of tourism at the local authority office in Pto. Saavedra argues that in the municipality the total number of tourists per year does not exceed 10,000. She tells us: “In January, February up to 2,500 people may come here, otherwise on average there are about 1,500 a month. But from March to October there are only about 5-10 people, sometimes only one, at least that is what our records say, so it’s a very low figure.” Nelda explains that these figures are collected by gathering information from the local tourist office and the local authority: ”The tourist office keeps records as well as the municipality, and afterwards all this information is collated.” If we look at the reported numbers of tourists to the different businesses in the Lago Budi project, Impulsa (2002: 31) reports there were 859 visitors during the season of 2001-2. However, this number of visitors does not coincide with the numbers reported by the businesses themselves. For instance, Miguel who, as argued in the section above, has generated most income from tourism reports that during the summer of 2002-3 they had a total of 1,500 visitors, which is a decline compared to last year: “In this year’s season we’ve had about 1,500 tourists. This year most of them were Chileans, from various regions, Other years we’ve had many foreigners (...) Last year there were about 2,500-2,800 tourists.” Furthermore, the owner-managers also report that the fact that they have had fewer foreign visitors this year affects them in terms of income, since the Chileans tend to spend little money: ”Because the domestic tourists, and this isn’t to ‘bitch’ behind their backs, but they are (...) very difficult to work with. And they spend little money, the centre may be full, but...” (Miguel).

Clearly, the limited number of visitors and the fluctuations in demand are two central factors that help to understand why, as argued in the former section, very few of the Norwegian and none of the

Chilean initiatives have managed to make a living from tourism alone. Fluctuations in demand restrict return on investment and threaten the viability and survival of the business, and in all its complexity this is a often reported to be one of the major reason why many small-scale tourism businesses give up (see e.g. Baum 1998). Regarding rural Norwegian tourist micro-businesses, Holmengen and Akselsen (2005) argue that "the results of these businesses are in other words not very good in the villages, which is mainly due first to their being too small, i.e. that they do not achieve the satisfactory exploitation of resources. Second, the main markets are holidaying and the recreational markets. These are highly dependent on the season and external factors such as snow, clement weather, etc."[128] (p. 16). As highlighted by Getz and Nilsson (ibid.), family businesses are often more vulnerable to the various consequences of seasonality than other small-scale tourism businesses. Their homes or parts of them are often integral parts of the business, which in the worst case might imply the loss of family assets, etc. Thus, in the next section we will look into another challenge which was often expressed by the owner-managers in both case destinations, namely capital in terms of the start-up, development and survival of the businesses.

7.3 Capital needs and financial support: developing the business step-by-step…

Although the entry barriers to tourism in general are perceived as low, there is still often relatively high start-up or developmental costs related to investments in physical infrastructure such as exhibitions and sales office, sanitary installations, cabins, etc. Both in a developed and especially in a developing context, access to finance has been identified as a highly central concern, and in a South African context for instance, it is seen as the biggest single constraint on increased black involvement and ownership in the tourism industry (Rogerson 2004).

The findings in this dissertation illustrate that a lack of capital is a central challenge and barrier in relation to starting up the business, daily operation, maintenance and development. Given the characteristics of the two cases as argued in chapter 3, it is not surprising that the lack of capital in all respects is most extensive in the Chilean case. Claudia N., the leader of the local tourism organization in ADI Budi, recounts that they have about 8 businesses which are not able to start up since they do not have the resources to implement the basic infrastructure: "They have all the ideas ready, but lack money." In general, financial support or what the owner-managers themselves often

[128] "Resultatene for disse næringene er med andre ord ikke særlig god i bygdene, noe som skyldes at de for det første er små, det vil si at de ikke oppnår en tilfredsstillende ressursutnyttelse. For det andre er hovedmarkedene ferie og fritidsmarkedene. Disse er svært sesongbetont og avhengig av ytre påvirkningsfaktorer som snø, fint vær o.s.v."

refer to as “resources” is a prime preoccupation even among those who have obtained financial support to initiate the business. Miguel, who runs a campsite at the beach, tells that he has plans to develop his business by building a traditional ruka where they can teach the tourists to speak their language, Mapudungun, but that he has trouble financing the construction: “I do not quite know how we are going to do it (...) get a loan or try to find an institution that wants to help us.” The lack of capital for the daily operation of the businesses is also a problem, especially for the older owner-managers. Mario, who among other offers has a small kiosk, recounts that his business is not going that well since he has no money to buy supplies, so his kiosk is empty.

Also in the Norwegian case, although access to financial support and capital is much easier as we shall see in the next section, a lack of resources and the need for great investment might be an important challenge in relation to starting up and developing the business. Elizabeth who runs a campsite with her husband recounts that the first year was especially tough and that, luckily, they had some savings that they could use for their personal needs: “So it was exciting even in the first year, and we were lucky that we both had good jobs in the Netherlands and a piggy bank so we could spend a little extra money on ourselves as a kind of extra salary.” Lena, who as we will get back to has decided to close the business, recounts that they had a lot of plans to develop, but that they did not obtain financial support to realize their plans: ”Because we applied for a grant to develop it up there. We wanted to have a few things, including semi-domesticated reindeer. Buy two which were trained to pull sleighs and two or three we were going to try and train up ourselves, so we could sledge into the wilderness with both adults and children (…) And then there was also a better (…) buy one of those better snow scooters to transport the guests up in the winter, and we applied for boats: rowing boats and that kind of thing to hire out, but there was no chance.” She furthermore recounts that the fact that they did not get any financial support strongly affected their motivation for continuing the business: ”Because I think that if we had managed to do everything we were trying to do, it felt like we weren’t getting any help from anywhere (…) We would have hold out for longer, if we had managed to do more of what we wanted to do. We managed to get the *lavo* and that going, but it was so little compared to what we’d planned.” Others also report that they need capital for maintenance, and that the income from tourism in this respect is a challenge since it seasonal and unpredictable: ”So when you have so many buildings, they need to be maintained too. So it’s important to have a fixed annual income for that” (Leif).

If we look at the sources of finance, in the Norwegian case we can basically identify the following main sources that the owner-managers report (in chronological order): Innovation Norway (which administrates different financial support programmes and initiatives mainly aimed at SMEs in rural areas); bank loans; own money; and, financial support from the local authorities. We can see that depending on the types of activities, some have obtained financial support for start-up, others have obtained support for business or project development, and some have obtained for both. Concerning those firms that have been granted financial support, it would seem that such funding has in general come in the form of ”small” investments at different stages, rather than a few, big investments. Furthermore, it seems that the newer tourism businesses have obtained aid more easily and also larger amounts of economic support than the older ones did when they started up. For instance Hanne who has been operating for more than 20 years recounts that in general they got very little economic support, which she also relates to the fact that when they started up the business, niche tourism was still rather untraditional in terms of obtaining support from public agencies, since at that time rural tourism development was more or less about constructing cabins: ”Well, Mum and the others got some when they extended the main building, that was in 1984, they probably got a bit of support. I think it was about 200,000 or something like that, but otherwise they have been given nothing. Because we wanted to go in for something rather untraditional (...) they were not mature enough to think untraditionally. It wasn’t about building cabins or stuff like that, it was about food and they weren’t ready for that. But now Innovation Norway are very good at supporting such projects and right now, as of today, we have an application being processed because now my husband and I have taken over the farm. From now in the middle of August.”

Thus, if we move on to the Chilean case, we can see that what characterizes the businesses is that they have mainly obtained financial support by virtue of presenting an idea to a local development organization (NGO), which has then helped them to elaborate on the projects and applied for money from various national and international institutions and funds. Paula, who runs a small café offering traditional cusine, recounts: “The person who developed the project contacted a number of institutions and suchlike and Senatur was involved in the project (...) there were about six institutions (...) but only Sernatur and Conadi responded.” As Miguel, who as argued, together with Claudia N. was one of the first to start up with tourism, tells: “Here in Paucho we have invested about 12 million pesos when you add up the support from all of those who have helped us: Conadi, Bilanc, etc.” We can see that when Claudia N. initiated her business, the project was rejected the first year that she applied for funding: “But because the project was family-based, it was not

approved. Next year we applied again, and then the project, which consisted of an area and a cabin to receive tourists, was approved. There were about thirty of us from different places in the area around Temuco who got support." Like in Hanne's case, Claudia N.'s project was at that time untraditional since the focus of indigenous rural development in Chile at that time was aimed at the community level as such, and individual families were not supported: "Conadi gave grants to the villages directly before (…) but now they are given to individual projects." Claudia N. furthermore recounts how her project was later adopted by the NGO Impulsa: "But afterwards an NGO turned up, Impulsa, that is still here, that had heard about me and that I'd been given support by Conadi, and they were doing a project abroad, I don't know if it was in Belgium (...) and when they got support for the project they included me. They said they'd heard about me and that they wanted to support my work." Pablo who is the local advisor of Impulsa tells that the tourism project has been financed through a number of financial sources: "Partly from EU grants, from IMPULSA, SERCOTEC, SERNATUR, Servicio Fonasu (Servicio de superación de la pobreza), CONADI, Fundación Andes and Fondos de las Americas." In a report from Impulsa (2002) a total of 12 different sources of financial support are reported (p. 12). As with the Norwegian initiatives, we can see that the Chilean owner-managers have also invested personal capital in the project. Claudia L. for instance recounts that she invested 100,000 Chilean pesos to put a traditional roof on her ruka.

Thus, in both case areas the development of the businesses has been a step-by-step process. Pablo, the local advisor of Impulsa, explains that in the Chilean case the step-by-step developmental process has to do with the fact that no single institution finances big investments: "Not everything was built in the same year, it was built over the course of three years. No institution can finance everything at once, because a large investment is required at the beginning. It was difficult to get the families to understand this. A lot of people ask: when is it coming, why them and not us." The Norwegian businesses have also, as argued, been developed step-by-step, and also here the reason is mainly, but not entirely, economic. The other reasons seems to be due to what we might call a rural "culture of caution" and also a lack of interest in making the business grow too big, as argued in chapter 5. This step-by-step development process is also confirmed in a study of family businesses in the island resort of Bornholm, Denmark (Getz and Nilsson 2004).

7.4 Marketing: expenditure, consciousness and barriers

Within tourism, marketing is perceived as essential both in terms of the development of the destination and the survival of the tourism and hospitality businesses. At the same time we can see

that small tourism and hospitality businesses are often characterized by few formal marketing strategies, small marketing budgets and often little marketing expertise (Ateljevic 2007, McKercher and Robbins 1998). One of the themes that the owner-managers, independent of case area, thus constantly return to and cite as a major challenge is marketing.

The vast majority of the initiatives studied in this dissertation lack formal marketing plans and budgets, and the amount spent on marketing is generally low. In the Norwegian case, the money spent annually on marketing varies, from between a few hundred up to around 30,000 Norwegian kroner[129]: "We've been spending about 10,000, and now we're probably going to (…) after we've bought two domains and that kind of stuff we'll be spending about 15,000-16,000. We won't exceed 20,000." Others argue that the only form of marketing they have carried out consists of some information on a sheet of paper and a handwritten sign beside the road. In the Chilean case, we may observe that in general the amount spent on marketing by each initiative is zero, and that the project's homepage, signs, brochures and posters have been sponsored by the NGO Impulsa through the joint project. However, although, the initiatives in general lack formal marketing strategies and budgets, the majority are well aware of the importance of marketing, and the overall impact that the right marketing might have on their businesses.[130] In the Norwegian case, Leif argues that when they were doing marketing properly, the income from tourism was quite satisfactory: "Yes, at that time I was doing it properly and marketing myself well, so it was possible (…) The income was so large that as well as doing maintenance we could spend a bit more and that was important for the overall financial situation of the farm. So in that way it's been good." In the Chilean case, there is, as we have seen with other aspects such as motivation and goals, a clear generational difference. While the older owner-managers generally speaking are not very conscious of the importance of marketing and do no marketing themselves, we can see that the awareness of marketing and information issues is much more apparent in the younger owner-managers: "Around us there's still a lot of marketing lacking (...) the tourists come to Pto. Saavedra and don't know where to go. No one says that 'the Mapuche are working over there'; But now I have discovered that it isn't simple, now I have my own premises (...) I can't just sit at home and not think about the initiative (...) it's work, a long process. You have to keep making improvements (...) more work. And you have to spread information, if you don't go and spread information, contact people (...) then no one comes" (Paula). Nonetheless, although most of the owner-managers are very aware of

[129] Only one initiative reported having spent more than this.

[130] Section 9.3 gives some illustrative examples in this respect.

the power of marketing, their spending on marketing is, as argued, very low. In the following section we will identify four main barriers which might help to explain this situation.

7.4.1 Lack of concrete results of marketing efforts

Several of the owner-manager that have been operating for many years recount that they do not do a lot of active marketing since they feel that marketing does not really make a huge difference: ”As far as advertising as a whole is concerned, I don’t think the effect has been that noticeable.” (Stein). Theodora who has been running a traditional summer pasture for the last twenty years also points out the same experience: “We have limited it quite a lot. Because we feel that we haven’t had that much return on what we’d actually spent (...) For example I was on Rjukan radio for many years and I asked people, but they hadn’t ever heard it (...) we’ve done quite a few things. In the summer we’re also on the Haukeli road, but I haven’t seen any results. And then we did something with Horn publishing house, they were supposed to publish something. I just don’t know whether it has any value. It was supplied on a couple of boats and stuff like that, but. (…) it was expensive, I might mention.” She also argues that although they do have their own webpage in various languages, she thinks that most of the international tourists, apart from those that book their holiday cabin for overnight stays, are drop-by clients who are already in the area or have been directed to them by the local tourist office. Lise Lotte, who is also one of the “survivors” in the business, argues that the only marketing she pays for is the joint marketing organized by the local tourist office: “Yes, I’ve learnt to say no to everything else, because it doesn’t work at all. Only the joint arrangement works.” Leif, on the other hand, argues that he has experienced the opposite, that he has seen no results from the marketing through the local tourist office: “What I’m a bit disappointed about is the fact that I actually paid the tourist office to help with the marketing, and there’s been incredibly little response.” In the Chilean case too, although the Chileans in this study are generally less experienced and developed in tourism, those interviewed report that it is sometimes difficult to see the effect of the marketing. Miguel, who runs a campsite at the beach, argues that they did quite a lot of different marketing activities this year, but still the number of visitors was much lower than in former years: ”This year I just don’t know what happened, but the flow of tourists was much slower. Much slower than in previous years. And this despite our having adverts on the radio.” Arturo, who runs a Mapuche cultural centre has experienced the same situation: ”Even though we did a lot more marketing this year, in the press and some radio ads, the number of visitors has been lower.” Thus, the lack of concrete results from marketing efforts, ”value for money”, seems to be a major barrier to putting greater efforts into marketing.

7.4.2 The costs of marketing

Perhaps not surprisingly, the cost of marketing was another commonly expressed barrier. Leif recounts that he started to market himself on the internet; it worked very well, but that it eventually became increasingly more difficult to maintain on the top of the search engine: ”And then the search engines wanted more and more money to be on the top of the list. It was just more and more money, money, money.” He continues: ”If you’ve got a place with a big turnover you can invest such sums, but for somebody who’s only got a small place, any benefits are outweighed by the amount of effort you have to put in.” He thus reduced marketing in 2002-3 and this really affected the business: ”I did have marketing, but less. And I noticed the effect, there was a decrease.” Laila who runs a small guiding service argues that she does not do a great deal of marketing; one of the reasons is that she cannot afford it: ”No, I don’t really, because I can’t actually afford it.” Furthermore, in the Norwegian case we can also observe the way in which the owner-managers are contacted by an increasing range of various “marketing networks” - “You get a deluge of offers to be included here and there” (Leif) - but in addition to the lack of concrete results from marketing as argued in the former section, the costs also limit participation: ”With all that advertising, well (…) we have to be a bit careful. But we get loads of offers to be a part of it, but it’s no good being a part of everything. It’s not possible financially” (Stein). In the Chilean, case the costs are a major barrier. Claudia N. argues that the local tourism organization has no money, either for marketing or for other activities: “We have very little money and so we arrange activities to bring resources together. Because every organization must have some financial resources.” Miguel, who keeps a guestbook, points out that what the tourists mention most of all is that it is difficult to find the way to them because there are no signs, and that they would like there to be a sign at the entrance to the municipality, but that the annual expenses involved in this are still too high: ”One of the things they most often point out is the signposting to each place (...) And the second thing we ought to do is pay the municipality to get a sign by the public road by the entrance to Pto. Saavedra, because it costs per square meter, and we’re still not able to pay for this.”

7.4.3 Time consumption and a lack of capacity

Two other barriers mentioned only inn the Norwegian case were that marketing is a very time consuming activity and that the owner-managers lack capacity to receive an increased number of clients. Leif recounts that in order to make the business profitable, he had to work very consistently with marketing: “When we worked with marketing and stuff like that properly, we had about twenty

weeks a year, I think. I don't think I exceeded twenty weeks. Then there is Christmas, New Year, two maybe three weeks at winter half-term, Easter, and then a weekend here and there, but that's in addition. In the autumn, there are some weekends. The same in the spring. So it usually starts around midsummer, then there's July and August. And it flew by, time. And the summer had to be fully booked, otherwise things would be bad. That's a minimum, of course. But then I was ready to do the work for the marketing. But the thing about marketing is that it takes up so much time." He eventually got really fed up: "So it all went swimmingly until I got sick of it. It's important that you update your homepage quite often so that the information there is correct (...) you've got to start early if you want to get the Dutch and Germans. They decide on their holidays a lot earlier than Norwegians do. You have to start around November/December. And you have to have updated your webpages before, you can't start tinkering with them in February, March." Capacity as a barrier was expressed both in relation to the fact that many of the owner-managers actually had no more time to attend to more clients, or in terms of the fact that they could not do more marketing because the physical space was too limited: "We do not have the capacity for that. This place is small, you can see what these rooms are like." (Theodora).

7.4.4 Public marketing offices and efforts

In the case of Tinn, the local tourist office plays an important coordinating role in gathering information from the tourism-related businesses in Tinn: they support the production of a local guidebook, *TinnGuiden*, and on request they help each business or operator to elaborate on marketing material, provide a copying service, etc. Furthermore, they have a crucial role in spreading the word and providing information about Tinn as a destination and about the different tourism initiatives and their products on the internet. They are also open all year round to visitors on weekdays, and they attend various international travel fairs in Europe, etc. Last but not least, the local tourist office plays a vital role in directing tourists to the various tourism businesses and activities in the community. Despite this, some of the owner-managers express their frustration that the joint brochure is finished very late, when the season is already on the horizon: "And the brochures we need for the summer season, I've asked the tourist office about them and they're still not finished. And maybe they'll turn up in the second week of July (...) The same thing happened three or four years ago that the brochure wasn't ready. And that gets me to thinking that a lot of people forget that the tourist seasons for foreign tourists starts in May and carries on till the end of September" (Elizabeth). Elizabeth thus argues that she does not understand why the brochures cannot be finished before, and that this is a factor which bothers her quite a lot and reduces her will

to pay for the joint marketing: ”And I just don’t get it because we have a long winter in Norway, and everyone knows that after the winter it’s summer, and we know that’s when the tourists come. And those brochures, they are always changed a bit from year to year, but not that much because we still have the same natural attractions, Gaustatoppen, Selstali Seter, Hardangervidda. They don’t change. So I just don’t get it, in fact it bothers me awfully and makes me wonder, ’Why?’”

In the Chilean case, the lack and inefficiency of public marketing institutions and offices were also mentioned as an important barrier to effective marketing. The owner-managers reported marketing problems with both the regional and local tourist offices, and also the local authorities. In Pto. Saavedra, there is also a local tourist office, but unlike in Tinn, it is only open during the summer season (December-March). During the month that the author spent in the area (February/March 2004), the office was never found open, although the author appeared on various occasions. Furthermore, on the office door there was no information about the opening hours, which in Norway one would expect to be a bare minimum. According to Nelda, who is responsible for tourism development at the local authority and thus also responsible for the tourist office, the main objectives of the tourist office are to inform the tourists about local tourism initiatives and to gather information about the tourists that visit the office (nationality, numbers, etc.). However, Claudia N., as the leader of the local tourism organization, recounts that when it comes to marketing, they have obtained little support from the local authorities or the tourist office: ”This summer we asked the municipality to give information to the tourists and that there should be a person (...) But this aim was never achieved. They didn’t put anyone in the office, time passed by and many tourists have come and asked (...) that’s to say they have come here ‘coincidentally’ and seen the ruka. And they say they’ve been past the tourist office and there was no one there.” Claudia L., who is treasurer of the local tourism organization, elaborates on this: ”So the thing is the municipality doesn’t have any money to pay someone who can service the tourist office. And if they do put someone there, they put a girl who’s not Mapuche, and that’s wrong. And the other big mistake they make is that they don’t train the staff. So the poor girls don’t know what they are supposed to say. How far it is, what’s on offer, etc. They just don’t know. This year they put a girl down here in the park, because we opened the tourist office, but there were no staff to have there. So a charity put a girl there. But the girl had no idea, one day I went to her and I said to her: I want to get to Lago Budi, to Voca Budi, how...? She didn’t know.” Thus, the local tourist office does not, unlike in the Norwegian case, provide joint marketing, for example on the net (it does not even own a computer) or

participate in national, regional or international marketing events, and from the above it does not seem like it directs tourists to the different sites either.

However, the Chilean owner-managers do also report constraints to do with Sernatur's regional tourist office. Claudia N. and Claudia L., as leader and treasurer of the local tourism organization, recount that last year they handed in a number of their brochures to the regional tourist office, but that Sernatur did not pass these brochures on to the tourists: "Last year we went to deliver a load of brochures (...) Some tourists arrived, but they could not find the brochure, the one with Claudia on the front page (...) What happened? We only got a few people from there, so what happened, there was no information to find." (Claudia L.). Claudia N. reports the same situation: "Sometimes it seems like they don't really make much of an effort. Because once we went with Claudia L. and asked for the folders from Pto. Saavedra, to check, but they weren't there (…) But we kept insisting and they started looking, and under a metre of other brochures and stuff they found ours. Is it these ones, they say. Yes, it is, we said." Santiago Fernandéz, who works at Sernatur's regional office, argues that today the marketing basically functions in that the businesses "join a portal on the internet, they get a password, write information about themselves, and activate it themselves. They get access so they can spread what they can offer through a public channel." The problem is, however, as we shall return to in section 9.4, that the Chilean owner-managers have little or no idea of how to use a computer. Throughout the study it also became increasingly clear that most of them do not really even have a clear picture of what the internet is – they are by no means familiar with using such a tool. Finally, with reference to barriers of marketing the Chilean owner-managers complain, like in the Norwegian case, that the brochures are late: "The new folder that is supposed to be delivered, it still hasn't turned up, I don't know why it is supposed to be handed out after the tourist season is over." (Claudia L.) However, this is not the responsibility of the local tourist office: it is the NGO Impulsa who produces such brochures.

7.5 Pricing policy: how much can you charge for a cuddle?

Another factor which the owner-managers report as a challenge in relation to working with small-scale tourism is pricing policy. This seems to be a factor which has not been discussed or investigated earlier in relation to small-scale (family-operated) rural tourism businesses; however, according to the empirical data in this dissertation, it seems vital. The author found a couple of articles about pricing policy by searching some of the most prominent tourism journals and books but these articles either dealt with largish tourism firms (Pellinen 2003) or with entrance fees to

national parks (Laarman and Gregersen 1996), and were thus not really relevant within the context of this dissertation. The challenge of pricing products was found in both empirical cases, but whereas in the Chilean case a kind of "over-pricing" took place, in the Norwegian case "under-pricing" seemed the trend. Thus, although the Chilean variant of this challenge could have been dealt with in chapter 9, since it seems to be based on a lack of skills in terms of customer service, both the Norwegian and the Chilean variants will be explored here since they are two sides of the same coin, and both strongly affect the profitability of the business, even in the short term.

If we start with the Chilean case, we can see that Juan, who runs a small bed and breakfast, argues that tourism is much more profitable than farming, and that in 3-4 days he can earn up to 200,000 pesos from tourism. During the interview, the author and interpreter had a cup of coffee and bread with fried eggs, for which he charged 8,000 pesos, which is at least four times more than an acceptable price for such a product in the Chilean countryside. During the interview with the advisor at Impulsa, this situation was broached in the discussion, and the advisor was visibly embarrassed and argued that "the prices must be right (...) have they made a mistake? There has to be mutual respect." However, over-pricing did not only occur at Calfuqeo's place, the same problem was reported in relation to other older owner-managers: "A while ago I was told that they went to talk to him, because there are a lot of tourists who want to see ancient forests and indigenous plants, two or three people went who wanted to see ancient forests. This was their wish (...) They took their own food and drink with them and asked for permission to eat under the trees, and they asked him as well how much it would cost, and it was just as well they asked him first (...) Do you know how much he wanted, loads of money, 70,000 pesos!! After haggling they got him down to 30,000, but he said they couldn't eat there. They had to sit along the road. How can this be an awareness of tourism? Things like this kill us as an organization. He'll kill us doing stuff like that" (Claudia N.). The same practice of product over-pricing was not found among the younger owner-managers and seems to be part of the generational difference described earlier.

In the Norwegian case, an opposite tendency could be observed. Several of the initiatives' owner-managers told us that they found it difficult to charge for some of the experiences that were parts of the product. Nils, who runs a summer pasture, highlights that it is difficult to know when and when not to charge for a product such as storytelling: "After they have ordered the tour, I get them to pay me. But if they come here and have been given a bowl of sour-cream porridge, coffee or a waffle or something, I often tell them a story while they are eating." Heidi, who also runs a summer pasture,

recounts that in the first season she charged a family-price of 150 kroner for a family to be part of the daily management of the dairy, but that this emerged as rather problematic: "It was really difficult to do! Getting paid for it. Because it's an activity, right. But with riding everyone understands because everyone has to pay to ride horses, but you can't ride around on the cows, but they were allowed to try their hand at milking and everything. So some of them asked about it, because they'd read on a poster that it cost this much, and others came right into the milking sheds and I just couldn't stand in the door and say, 'Sorry, but if you want to watch it will cost you 100 kroner', because in fact I really wanted people to be able to watch. Because of course, that's part of the point. But they just didn't get it because I'd have had to do it in any case. They just wanted to watch for a bit." She will probably change the pricing policy next year, she says, and have a price per person: "What I think I might do is charge per person instead of charging a family price. Maybe that's easier. Perhaps it should cost 30 kroner per person instead of 150 kroner per family. Then the parents can stay outside if they think it's a bit expensive." She argues that one of the reasons it is difficult to price experiences is that as soon as you put a price on something, people start to get high expectations about what they will get, and that some people find that "cuddling cows" and watching her milking are not "real" products: "People say: 'What do we get when we come in here? What can you offer?', so I explain that they can go and pet the cows and stuff like that, and most people think that's really great, but then some people have too high expectations, because in fact the kids think it's nice being able to go in there and pat the animals (...) They expect something more, that you can ride them, or that you can help with the feeding whenever you want, but that's not possible." Heidi thinks that part of the problem might be related to the fact that she is one of the first in Tinn to charge for this type of experience: "Maybe they've done something like this before, and so they compare this with that time." She is probably right in the sense that none of the other businesses offering a similar product charges for this type of experience: "We don't charge them to pat the animals, and we haven't got an agreement with the tourist office, for example that it sells them day trips to the farm, that on such and such a day they can help out with mucking out the sheds and suchlike" (Hanne). Hanne, who has been dealing with this kind of tourism for around two decades, argues that you are always torn between what and what not to charge for: "There are lots of things you could charge for, but when you run this kind of tourism activity then (…) you choose what you want to charge for and what not to."

Clarke (2004) highlights that small and medium-sized enterprises generally are fundamental for visitor experiences and satisfaction in tourism, and Getz and Carlsen (2005) argue that this is

undoubtedly the case with family businesses which often embody “direct host-guest interactions in the family home or property” (p. 238, see also Andersson et al. 2002). However, we have observed that this “family branding” also implies that direct host/guest contact over time also creates a number of challenges, since getting to know people often involves it becoming increasingly difficult to charge for experiences and activities: “So you’ve got a problem again, that you can get too well acquainted with people. That’s not good, as then you feel you can’t charge that much. It’s ok to have a couple of exceptions because it’s nice, but you mustn’t have too many” (Leif).

The Norwegian owner-managers are very aware of the need to generate income from the business: but at the same time they employ a variety of cognitive “justification strategies” to explain why they under-price or do no charge for parts of their products at all. The most common justifications cited are “customer satisfaction”, ”I would have to do it anyway” and ”I have fun doing it”: “But now I know I’ve got reasonable prices. But for things like a bowl of sour-cream porridge or drink as much squash as you want, I only charge 60 kroner and that’s for really big bowls, filled to the brim. And the same with coffee, you can drink as much coffee as you like for 20 kroner, but this is the line I’ve chosen to take. But if you were really going to think in terms of business and suchlike, I haven’t done that (...) But this is what I’ve always done throughout the years, and people are satisfied.” (Theodora). Although on several occasions during the interview, Leif returns to the fact that they really need the extra money from the tourism activities to maintain the many buildings on the farm, he does not charge for fishing trips: “I do it because it’s fun and I get to go on the fishing trip, too (...) If you just think about money all the time, it all becomes rather dull, I think. I just can’t think like that, it doesn’t mean that much to me. And I think it’s quite worth it (…) right, so you charge a little for it, and instead you can price the accommodation a bit higher as this is an unusual place to spend the night.” However, charging a high price for a product might imply it becoming increasingly difficult to say no to a specific request, such as a fishing trip, since a high price typically raises one’s expectations about the contents of the product: “But, we’ve paid for...”. Furthermore, a high price might, as argued by Heidi, exclude the product from the first part of the tourists’ desicion-making processes, which in turn might imply that you will have to put even more efforts and money into marketing to obtain clients.

7.6 Summing up

In this chapter we have looked at a number of challenges which according to the owner-managers directly affect the income or profitability of their businesses. We have identified five main challenges or barriers: a limited income and a low return on investments; low customer demand due to market size or seasonality; restricted access to capital and financial support; limited marketing due to a number of identified barriers; and, challenges related to pricing experiences.

Earlier research would indicate that small-scale rural tourism is often a rather marginal economic activity, which in most cases gives a poor return on investment (see e.g. Getz et al. 2004, Thomas 2004). We have seen that this is also true of the businesses studied in this dissertation. The Chilean owner-managers say that the return on investment is low but that tourism has contributed to the family finances; as one of the owner-managers put it, it is "better than nothing". The research would indicate, in line with other studies, that it takes a long time to generate a surplus, and that in most cases income from tourism must be supplemented with other income or other market segments (teaching, reaching out to the business market, etc.) to make it profitable. However, we can see that there are important differences between the two cases that highly influence people's ability to make a sustainable living out of tourism. One of the main factors is that tourism is a much less developed industry in Chile and in Lago Budi, which clearly affects the performance of the businesses in terms of a low total number of tourists and extreme fluctuations in demand. The Norwegian owner-managers report the growing importance of the local, nearby cabin market for their overall survival and income, while the Chilean owner-managers report that domestic tourists spend little money and for instance often bring their own food. Furthermore, the problem of charging for the more experiential parts of the products also affects the businesses in both case areas. However, while in the Chilean case there was a tendency to overcharge for products by the older owner-managers, in the Norwegian case the challenge was related to "undercharging". In the Norwegian case, the owner-managers also indicated that if one wants to live off rural tourism alone, which only a small minority of them do, one must have no children to support and not require an average Norwegian standard of living. We could argue, even though the everyday-life conditions of the Norwegian and Chilean tourism businesses are fundamentally different as described in chapter 3, that they all struggle to survive; it seems that we could rightly argue that small-scale rural tourism is a profession you "live with" more than "live off".

In terms of capital and financial support, we identified needs and barriers in both case areas in relation to starting up the businesses, daily operation, development and maintenance. Interesting to note is that in both the Chilean and Norwegian cases, the majority of initiatives have obtained financial support over several phases or stages, and from several sources. The two cases differ, however, in the sense that while the majority of the public support in the Norwegian case was centralized within one state body, Innovation Norway, the financial support in the Chilean case was much more fragmented and had to be sought through project applications to different institutions. We have also seen that the Chilean project applications were usually mediated through a local NGO that helped to form the project and then applied to a number of different international and national institutions for funding. Furthermore, in both case areas we have observed that the businesses were developed through a *step-by-step process*, which was also related to factors other than capital and finance.

Ateljevic's (2007) study of small tourism firms in the Centre Stage region in New Zealand shows that small tourism firms use an extensive range of advertising tools, but that lower cost approaches ("word-of-mouth" (WOM)) are the preferred option. Furthermore, the study also highlights that use and the effectiveness of the internet seem to have grown significantly over the last five years. The research undertaken in this dissertation clearly supports Ateljevic's findings in the sense that a variety of advertising tools and channels have been employed by the owner-managers, but that in general low-cost options are the most employed and also the most often preferred option.

Due to the lack of resources, the Chilean owner-managers depend heavily on WOM strategies and become highly dependent on external financing, institutions, the media, etc. in order to be able to develop more professional marketing material. We can see that so far the more expensive marketing tools such as posters, brochures and information signs, etc. are all paid for and provided through the tourism project and the local NGO, Impulsa. The internet seems to be the most central tool in terms of reaching foreign visitors, but at the same time they do not have, as we shall return to in section 9.4, the education or the experience to operate computers. As a consequence their internet page www.lagobudi.cl (as observed in August 2006) has more or less not been updated in recent years, now that Impulsa is playing a more peripheral role and the businesses are supposed to make it on their own. Thus, in most cases, when the Chilean owner-managers do marketing on their own, this is conducted via personal networks of friends and family: "Apart from that I've got friends who do marketing for me, and my son who works at a governmental office for SINAP, and he also uses the

opportunity to spread a bit of information (...) And then I've got another friend who travels to practically every country and she spreads information. She takes all my brochures with her, talks about it, and there are also other friends who travel abroad a lot, my son's colleagues." When they arrange joint activities they try to appear in the media (newspapers, television, radio, etc.), since such constitutes a free and effective channel.

In the Norwegian case the marketing by the local tourist office is important, alongside WOM and the internet. WOM, or what the owner-managers often refer to as the bush telegraph, is in general perceived to be the most effective marketing channel. "A lot from the internet, but also the bush telegraph, that's really the best. And then there's a lot of word of mouth, that people should travel here, and people are impressed and pass it on. When it comes to hiring out my cabins, it's mostly from the internet" (Theodora). "So a lot of people come who have arranged their holidays so they can pop buy and buy next year's wares (...) And we understand that these are both for families and acquaintances. We started with some individuals, and then there have been knock-on effects. We have spent very little money on marketing, so the cheese sells itself in a way" (Hanne); "But I have seen that there has been an increase year on year, and I really believe there is a lot (…) that my reputation is spreading. And then I think a lot about all those cabin owners, they start chatting with each other. And if they are satisfied with the saboteurs' route, they tell their neighbours, and then they come too. That's how I see it" (Laila).

The study also illustrates that the effectiveness of the various marketing channels depends on the type of product one offers, and that it seems increasingly important that each business target and design its own marketing channel plan, which should be as direct and focused as possible, especially as far as the internet is concerned. Those that express most satisfaction with the internet seem to have found "special interest" pages where they market themselves: "And I've got a page on something called 'Aktiv i Oslo', and of course there are mostly people from Oslo there, or in fact there aren't, but a great many people use it. So we've had a very good return on that, especially at Easter and stuff." And they also argue for the importance of extensive "linking", i.e. providing a link to your page from pages that might be visited by people that are planning a trip to your area (thus relevant pages are LTO, or special attractions in your area such as museums, local bathing facilities, etc.). Clarke (1999) argues that within the frame of farm tourism, due to the limited marketing experiences, budgets, etc. there is a need for collective collaboration and marketing through regional or national structures. However, the investigation conducted by the present author

indicates that many of the owner-managers are in general not satisfied with the marketing efforts by regional or national networks or an umbrella organization; one exception in the Norwegian case is marketing through *Telemarkreiser*.

Marketing decisions are thus generally based on a "value-for-money" perspective; a combination of earlier experiences (positive/negative) and costs are central pivots of consideration. WOM as the preferred marketing approach is thus not only related to the limited marketing budgets of small tourism enterprises, as most research seems to suggest, but results from a combination of a lack of previous concrete results (more visitors) from earlier marketing efforts, alongside the fact for example that production or place capacity may not allow for mass marketing approaches.

Chapter 8: The wear and tear of small-scale rural tourism

"And at the beginning of August I often think, 'Oh, I hope summer ends soon.' You have no time for yourself, no leisure time. They can be very demanding, they are on holiday and they often think 'you must do my bidding, I'm a guest, I'm a customer. When I ask, you must come here, now.' Most of the time this is fine, but sometimes I get really sick of it."

(Elizabeth)

Studies conducted in different parts of the world illustrate that running a tourism business considerably constrains families, and especially women who tend to do most of the work. And apart from minimal financial rewards, as discussed in the former chapter, owner-managers have also complained to researchers of long hours, disruptions to family life and the lack of ability to preserve privacy as major issues (see e.g. Mendonsa 1983, Stringer 1981). Furthermore, the seasonality factor might be a challenge for small-scale tourism firms as it may result in high workloads during peak periods, difficulties in attracting and retaining skilled employees and a need for seasonal workers and part-time staff. Thus, in this chapter we will look into some of the more socially oriented challenges and constraints related to working with rural tourism as reported by the owner-managers. As we shall see, the challenges are also closely related to the marginal economic income generated from small and micro-sized rural tourism activity. Most of the challenges in this chapter have been reported by the Norwegian owner-managers, due to three fundamental differences between the two case areas. First, because the number of tourists received in the Chilean case is, as argued in section 7.2, much lower than in the Norwegian case, and thus problems related to too many visitors during peak periods is not really a challenge for the Chilean owner-managers. Furthermore, since there seems to be a link between the number of years spent running the business and the number of constraints reported, the Chilean owner-managers, which are all quite new to the game, tend to have a more optimistic view of the different experiences. Finally, the differences in the perception of what is a challenge or constrain is clearly a matter of culture. The Mapuche-Lafkenche people are e.g. not used to a very clear distinction between leisure time, family life and working hours, which is mainly due to the fact that most of them are farmers and do not come from a working-class background. To attend to clients and have someone live in your house is thus not perceived as a "burden", in fact the Mapuche-Lafkenche often have other people living with them

for periods of time, such as a cousin or a niece or nephew, and the idea or importance of "privacy" does not exist in the same way as with the Norwegian owner-managers.

8.1 Employment issues: price, availability and dependency

As argued by Getz and Nilsson (2004), family or micro-tourism businesses in general tend or are forced to minimize labour costs by maximizing their own input, which in peak seasons often results in long working hours, hard work, little spare time, no time for family, etc. We can see that this is also often true of the owner-mangers that have been investigated in this dissertation. Many of the owner-managers of the businesses recount that they would like to hire more staff not only during the season, but also on a more steady basis, but that their finances do not allow them this luxury: "I would have preferred us to have a fulltime position, but we can't afford it at the moment. And so we mainly prioritize from April 1 and apart from that when we have the most work to do, and then that person mostly helps out with caring for the animals" (Hanne). For those owner-managers who have chosen to employ what they perceive as essential staff, their everyday involves constant quarrelling about costs: "So we discuss this each year with the Tourist Association, as our costs for salaries are much higher than other cabins have: 'Cut your costs!'" (Lena). Stein argues that if it had not been for all the voluntary work, they would not have made it financially: "Now there's quite a lot of voluntary work, but if we'd had to pay out salaries, we wouldn't have made ends meet."

As highlighted by Getz et al. (ibid.), seasonality might affect the businesses in terms of difficulties in attracting and keeping skilled employees and the need for seasonal workers and part-time staff. Lena recounts that in general in the industry, it is very difficult to find skilled employees but that she has usually been very lucky: "They are difficult to find, but I've been really lucky and found two girls originally from Sandefjord but who live and work in Oslo. So they take time off from their jobs there in the summer to work for me at Kalhovd." This story illustrates a central point in terms of the challenges related to finding skilled staff when you operate a highly seasonal small or micro-sized tourism business. In Lena's case, the two girls had to take time off and use their holidays to be able to work for Lena. However, Lena has built much of the reputation of her business on the quality of the food, and she recounts all the challenges she has experienced in terms of finding someone to fill the position of chef: "So he rings me up right before the summer season: 'They've changed my job, I'm now employed fulltime, I've got fulltime work.' I couldn't find a cook, but my mother and a friend of mine were kind and worked up there for a lot of the time that summer (...) And then I hired someone in from a temping agency. For 15,000 kroner a week. But that was the

only possibility there and then. The year after there was a woman who had a fulltime job in Sandefjord and her son worked up here a bit for dad, and she really wanted to come up and holiday at Kalhovd. And she wondered whether I needed any help. Yes, I need a cook to help out, I said. So she took all her holiday off, plus weekends and all that kind of thing, so we found a solution that year too. The year after she took time off from her work in Sandefjord and was there. So she was there until last autumn. Unfortunately she's ill now, so she's not coming back (...) in the summer I still need a cook for two and a half months, but I think we solved a great deal. The biggest problem is now that cook, but if we can't find one, I'll just have to hire in a new one from the temping agency again." Such situations affect the profitability of the business, since having to hire in a chef for 15,000 a week is expensive for a small business; they also lead to worrying, sleepless nights and an increase in the owner-managers' workloads.

Many of the businesses depend on student workers during the season, and as illustrated by Lena's case, they often have to rely on family or friends to step in when unforeseen situations arise: "Because the ones who work here are mostly school kids, and they are about to leave. Two of the girls are leaving tomorrow, and my mother-in-law is thinking about coming up, my mother too" (Theodora). Furthermore, some of the part time employers are not really motivated for their jobs, and even if they are motivated and skilled, it is still difficult for them to fulfil all their functions: "That's the worst thing about running small-scale production. You are very dependent on people in terms of the system. It's not like any other business when you can just get the same people to do the same tasks. Because even though we've hired in help, that person can't necessarily do all the tasks required" (Hanne). This factor involving a dependence on people implies that in many situations the owner-managers report that instead of training someone up to assume some of the tasks and responsibilities, they simply prefer to do the job themselves. Training someone up for the job is described as demanding and time-consuming, and they feel that in most situations it is just not worth it. Observable here is thus that the owner-managers easily find themselves in a vicious circle: they would like to get some help, but the price they have to "pay" for such help in terms of time and effort is greater than the perceived outcome, and they thus often end up doing the job themselves, and as we will get back to eventually wear themselves out.

8.2 Multi-tasking

The governance of small-scale and family businesses differs from mainstream corporate governance in that owner-managers and entrepreneurs often have multiple roles within the business (see e.g.

Mustakallio et al. 2002). Thus, one can often observe situations in which the owner-managers may be "chef", "caretaker", "gardener", "host", "switchboard operator" and "cleaner" all in one day: "Because we couldn't find anyone who could do it, John's been working in the kitchen as a cook. He was trained for a job like that so it wasn't a problem. But the problem is that there are only twenty-four hours in a day, so we'd decided we would do it for three days a week. For the summer season. Because you just can't do anymore. Then he'd have been completely shattered after the summer season, because there are so many things you have to do here to maintain the place and he does all the re-building, landscaping and lawn-mowing (...) And for the most part we do all the cleaning ourselves, all the toilets, cabins, etc." (Elizabeth). The number of times Theodora has to change clothes during the day also clearly illustrates the multi-tasking involved in a small-scale rural tourism business: "And during my workday I have to change clothes a lot. Clothes for the stable, when I'm supposed to make wares I have other clothes, and if I'm supposed to look nice to receive guests I have other clothes, there's a high tempo all the time." Such multi-tasking might also imply that you feel that you do not manage to be fully involved in any of the roles: "That has to be the worst thing about being up there, trying to get everything done al over the place" (Lena). Some of the owner-managers report that such multi-tasking also implies that you are always in a rush, and that sometimes you have to prioritize tasks at the expense of other ones: "So you don't have time to explain to everyone why you have to charge, otherwise I could have stood there and made twice as much cheese instead of talking to everybody who was there" (Heidi).

The challenge of multi-tasking is of course most pronounced or 'acute' during the peak season, but also during the "low season", owner-managers and family members have to fulfil a number of – if not most – functions and roles: marketing, booking, accounting, maintenance, etc. Several of the owner-managers, both in the Norwegian and Chilean cases and independent of seasonal peaks, highlight the amount of work involved in managing and running a small-scale tourism business: "There is a lot of work, a lot more than you would think" (Leif), and "tourism is a lot of work and you really have to want to do it" (Paula). Such multi-tasking eventually leads in the long term to a kind of wear and tear, as illustrated in section 7.4.3 by Leif who recounted that he eventually got sick and tired of all the marketing he had to do to make a living from tourism. Thus, multi-tasking might also imply that the owner-managers are often "forced" to perform a number of functions they do not like (writing applications for funding, booking, etc.) or for which they do not have the skills (marketing, accounting, etc.). Furthermore, the owner-managers may also feel that they are

“drowning” in the daily operation and find neither the time nor energy for long-term planning or strategic considerations.

8.3 Peak season: when every day is work all day

Another consequence of multi-tasking is that one’s everyday life, especially during the peak season, becomes really tough. Heidi, who had just started up her business and had her first tourist season during the summer of 2005, recounts that her worst experience was the amount of work and that she was left with much less time than she had imagined: ”The worst experience must be that I had a lot less time than I had imagined, there was a lot more work than I had thought. But everyone had told me that before.” Although everybody had warned her about this factor, the reality still came as a surprise. Thus, in this section we will look in slightly more depth at what a working day at a small-scale rural tourism business might be like during the peak season.

8.3.1 Running, running, running...

Elizabeth who has been running a small-scale campsite with her husband since 2001 describes their daily schedule during the peak season as follows: ”From the middle of June, we get up at seven, reception is open from eight, and then an order for bread comes in because we say everyone who lives here can order fresh bread. It comes from Austbygde bakery. So then we collect that. Then reception is open till eleven o’ clock. And then we have to close it because I have to go and check the cabins of the people who have left and fix them for the next guests and that is mostly my job. From eleven o’ clock we try to start washing the toilets and that is mostly John’s job, with someone who helps out in the summer. Then we have lunch at about half past twelve, one o’ clock. And then as far as I’m concerned at least, I have the opportunity to do something else until four o’ clock. Maybe go into Rjukan and shop and sometimes do some bits and pieces here and there. And from four reception is open again. And at about three o’ clock the first people turn up who want to stay here. And if you want to have a good profit, you have to be about. If you’re not about, they’ll leave. And you’ve only got till four o’ clock to mow the campsite. And you can’t make that much noise when people are here. And of course, the grass has to be dry when you cut it, so you always have to keep an eye open: ’Yes, now we can mow it!’. And it’s the same with maintaining the cabins, we can’t paint them when (...) there are people staying there (...). The summer season is actually very short and busy.” There is a constant stream of duties to attend to and a number of important everyday tasks that have to be done like getting the bread in the morning, cleaning the toilets from eleven, checking and cleaning the cabins, while being constantly interrupted in your daily duties

since you have to attend to clients, answer the telephone or run errands. In between you also have to cut the grass or do odd jobs, tasks that require the weather be right and that there are not too many clients around. To fulfil all the functions required, one has to strictly organize the day around the clock. Elizabeth recounts that by the end of the day they are quite exhausted. However, as she argues, it is only like this during the peak season. Lena also shares with us what daily life is like during the peak season: "We have three cabins up there, we have the kitchen in the cellar, the dining room in the cellar, and the reception on the ground floor, with living rooms, so we have to run from the kitchen up to reception, and then we're supposed to take (…) yeah, take clean glasses up and dirty cups and glasses down. So we run up and down those stairs. I don't know how many times a day (...) And it's the same with the two sleeping cabins we have outside the cabin, we have to carry all the towels, bed linen, rubbish, all that kind of thing has to be carried up and down between the main cabin and the two other ones, the mops and everything have to be carried. So there's a lot of work, a lot of rocketing to and fro. The girls spend a long time, it would be fun to check how much time they spend just on all that running about." Clearly, during the peak season every day consists of a number of routine activities that have to be done to keep the business going, while the day also includes a number of tasks and challenges that interrupt such routines and which are difficult to plan for or foresee.

8.3.2 A hard day's work...

At many of the initiatives, such as the summer pastures, the daily activities are also often physically demanding. Theodora argues that to generate some profit from the business, you have to be devoted if you are to tackle the tough working conditions during the peak season. She relates her demanding day as follows: "I suppose I can say that my everyday life is fairly tough, but to have enough energy to do this kind of thing, you have to trust yourself and it's got a lot to do with your own interests and that kind of thing. Of course I've hired in help, and now this summer I've got four with me. Because the animals have to be cared for, we have to milk them morning and evening and I have to be a part of this. And when the sheds are in order, we're supposed to make wares, we make white cheese, and I start doing that right away afterwards, and then there's the churning to do, right? (...) And then we boil up the *prim*, didn't do that today though, but I do that everyday in high season. And that takes all day. And just making sure there's enough fuel in the fire, because there is no electricity here (...) and you have to stir all the time." In between making wares she has to attend clients, clean the place, etc. She also recounts that the hard work has destroyed her hands and that she has had to have surgery: " I actually hurt my hands doing this work, I had to have an operation

last spring.” Apart from being physically demanding to run a small-scale rural tourism business is also demanding due to the long and inconvenient working hours.

8.3.3 Working hours

To manage during the peak seasons and fulfil all the roles and tasks, the workdays often become very long. ”I don’t ever close. My workday starts at half past six in the morning and I finish at about half past one, or two o’clock at night” (Theodora). Hanne also reports the same situation: ”But of course we’re open every day, all week. As long as we’re awake, it’s open here.” Lena also tells about long working hours during the peak season and that it is hard to get any rest at all: ”Because when we’re up on the mountain, you work (…) yeah, as a rule from 7-8 in the morning and go to bed at about midnight, one or two o’ clock at night. You’re there the whole time.” Lena recounts that she exhausted herself during the first seasons that she was running the business since she did most of the job herself and hardly got any sleep at all: ”The first year working on the mountain I gave it my all. In 2001 I gave it my all. Probably a bit more than my all. Because I was working on average twenty hours a day. Some nights I didn’t even sleep. I baked bread, I did everything, reception, absolutely everything. So I was rather shattered, you might say.” Theodora tells that during the season she has no time to go anywhere, not even to visit the community centre: “I don’t even get the time to go to Rjukan, I’m just here. The farthest I get is over to the shed and down again.” However, she argues that the fact that she does not get to go anywhere during the season is not a problem; she likes it that way. In line with the other cited owner-managers she argues that it is “ok”, since it is only for a short period of time during the most intense season.

8.4 Small-scale rural tourism and family matters

According to various authors, small-scale and family businesses in tourism are fundamental for visitor experiences and satisfaction (see e.g. Clarke 2004, Getz and Carlsen 2005, Andersson et al. 2002). In the former chapter we also argued that family businesses in tourism are especially vulnerable in terms of seasonality due to the fact that the family home or property is often a central element of the business. Thus, in this section we will look into the more challenging sides of “family branding” as expressed by the owner-managers investigated in this dissertation.

8.4.1 The extended family: living with staff and clients

One of the main challenges that the owner-managers expressed regarding "family branding" was what we have decided to call "the extended family". The extended family means that being a small-scale tourism business in most cases implies that either the tourists or the staff become part of your daily life and family for shortish or longish periods of time. In section 7.6 we have seen that one of the consequences of "family branding" is that it is difficult to "charge a friend" and that you often accept, say, going fishing with the tourists without charging for the "product". However, living with tourists and clients is also demanding because you lack privacy and time to yourself: "We live on top of one another, the staff, we're together from seven in the morning until we go to bed in the evening. You've never got a minute to yourself" (Lena). Hanne reports the same situation: "So we've got kids who are there from six in the morning, and we've got kids there in the evening. It all depends, so you can never be sure if when you come out at half four in the morning, or five in the morning that there are no people outside there, because it's that accessible." Several of the owner-mangers highlight that although most clients are very nice, they tend to be very demanding and expect you to be there for them 24 hours a day: "And at the beginning of August I often think, 'Oh, I hope summer ends soon.' You have no time for yourself, no freetime. They can be very demanding, they are on holiday and they often think, 'you have to be ready to do my bidding, I'm a guest, I'm a customer. When I ask, you must come here, now.' Most of the time this is fine, but sometimes I get really sick of it. For example, we have the opening hours on a little note by reception, that we're open till eight pm, and that you can ring the doorbell up to 10 pm. After 8 pm it's quieter and it's better for me to be at home in my own house. Try to relax with a cup of coffee or something. And if they ring on the doorbell, it takes me some time to get from the house to reception. And often they're then already back at the car park, and I stand there saying 'hallo?'. Norwegians they say: 'Weren't you open?' 'Yes, we're open'" (Elizabeth). For a small-scale tourism business where WOM (as argued in section 7.6) is both the preferred and often only marketing option, customer satisfaction is a must: "You can't treat them negatively, even if you're damn sick of it, you have to be service-minded. And there are no problems. And when you work with so many other things, like I do on the farm and hereabouts, people are always asking can you do this, can you do that. And then you get fed up. You'd like to have some time off now and again as well" (Leif). Others of the owner-managers recount that some tourists tend to walk in and out of their homes and private areas as if they were living there and that they often want to have a say in the daily operation of the business and have lots of opinions about this and that.

8.4.2 Raising children in a tourism business

A range of case studies from different parts of the world show that small-scale tourism businesses and farm businesses are often operated by women (Busby and Rendle 2000, Cukier et al. 1996), and in section 4.3 we argued that this is by and large the case also in this dissertation. In section 8.2 we also argued that in small and micro-sized tourism businesses the owner-managers have to fulfil multiples roles; many also expressed that it was difficult to find the time to do all the roles; it was also perceived as a challenge to have to switch between different roles and not be able to really dedicate oneself to one of the roles in the manner they would like. The role that turned out, however, most difficult or impossible to combine with the roles that running a small or micro-sized rural tourism business require, was that of being a mother to small children. In the Norwegian case there were only two businesses at which the owner-managers had small children, and both the female owner-managers reported how challenging it was to combine the roles. Heidi, who has just ended her first season in business, recounts that she has had a lot of positive experiences, but that she is none too happy that she has had too little time for her own children: ”I had imagined it would be a bit better for the kids because it was the summer holidays, but they had to stay all over the place at other people's and be looked after all the time.” While Heidi thus feels a bit of a failure because the summer did not turn out the way she had planned for the kids, Lena shares with us the reason why the managers that were in charge of the business before her gave up the business: ”The man who started before me, they were a married couple and they started up together. There were two of them, and then they started to have kids. After three years, the second came, and a year after a third. So they had three kids when they stopped working up there. The youngest was about two years old, I think. It was a disaster. They slept on the staircase, they ate breakfast, lunch and dinner up in the dining room with the other guests, so it was totally (...) People didn’t travel there to hear kids screaming all the time. The eldest was the boss, he owned the place and decided what others could and couldn’t do. People fled from there, I mean it. And so I decided that it would never be like that with me in charge.” She thus recounts that when she had her first child, she decided that if it did not work out she was going to close the business: ”So I got to thinking that if it ended up not working, I’d quit. Because I don’t want her being the boss up there, you shouldn’t have to hear her up in the lounges. Because people go the mountains to relax and enjoy themselves, so there shouldn’t be a kid flying about screaming all the time.” Later she recounts that the first year running the business with a baby was not too problematic, but that she did not have much time to take care of the kid: “The first year wasn’t that (...) the first summer she was so small, so it wasn’t a problem. Then she was (…) she was left to her own devices a lot. Both negatively and positively. She learned

to sit and play with things, fiddle with things herself and that kind of thing (…) and find things to do, and I think that's quite positive, although it's negative that one doesn't have that good contact with her of course (...) She was six weeks when we first came up her, and then she was in her highchair a lot, watching while I made dinner, and I took her along to the rooms when I was cleaning them and stuff like that. And the first summer she was up there, my cousin was there, who looked after her plus that I looked after her myself in the evening." As the interview proceeds Lena reveals that they are in fact planning to quit the business, and that the main reason is the challenge of having a child: "So in all likelihood there might be one more year. Till 2007, but then we'll have to give it up (...) for the sake of Helene. I can see that it is becoming more and more of a challenge. In the winter she was supposed to help me with all sorts of things. She was supposed to help clean rooms with me, and when I'd finally finished making the beds, she would go and lie on them, right? (...) When I clean the mirrors and such like, she wants to do the same. The tables and floors (...) so it's like she does everything I do (...) she flies around with a mop and broom, she does. She is very, very good at it but it takes twice as much time." Lena thus also tells that they always keep their daughter separate from the guests but that now that she has learned to walk and is growing up, she finds the way herself and that the guests give her treats: "What's been a problem up there is that we've kept her a lot downstairs, not so much with the guests. But of course she starts going upstairs by herself, on her own, to the guests. And they sneak her chocolate, ice cream, loads of that kind of thing. She likes chocolate quite a lot in fact, but not pop. She doesn't want that. So she's never been given many sweeties. She gets very, very few. But people think they are just being kind, but that's not the way we see it. It makes her go crazy. She can't get to sleep." Lena sighs: "No, there's no point." Clearly, raising small children in a small or micro-sized rural tourism business seems a challenging task. We might mention, however, that while Lena's experience is that her daughter is rather too keen to help out with the business, many of the other owner-managers experience the very opposite.

8.4.3 Lack of participation or interest from family members

Generational transfer, i.e. handing down the business from one generation to another within the same family, is as argued in chapter 4 a characteristic of many small and micro-sized rural tourism businesses. From the research conducted, one may observe that generational transfer was an issue among some of the most established businesses and especially when the business was an off-shoot of a family farm or property. For some of the owner-managers, the decision to let the business grow or develop was thus, as argued in section 5.2.3, also based on a desire to leave a "solid" business for

the next generation. In the former section we have seen how the "over-involvement" of young family members might be a reason for closing the business; in this section we will look at the opposite situation, how a lack of interest or participation from family members might also be a barrier to developing or continuing the business.

If we start with the Chilean case, Paula would argue that she perceives tourism as a good opportunity for the future, but that she thinks that only a few of the businesses in ADI Budi will survive: "I see tourism as offering a good future, a very good future (...) But I also think there are a lot of people who will fall by the wayside. I think only a few of us will make it." When asked why she thinks so, she points out the lack of interest or participation from family members as one reason: "Maybe they don't have the support of their families, and it has a price that the family (...) young people today have other habits, they want to be freer." As argued in section 4.4, several of the owner-managers in the Chilean case have reported that family members and the children participate in the daily operation of the business, but some also admit that when it comes to the children, they often participate because they are forced to: "The little one also works with me, but I don't know what he'll want to do in the future. Maybe he participate because I force him a bit" (Claudia L.). Liliana tells that she started to work together with the family and that family members have made some of the wares that she sells in her ruka. However, later in the interview she reveals that when push comes to shove, her family shows little interest in the business: "Not much, the family has little interest. I've always said to them, 'Work, this money will be for you, I won't take it from you.' But they do the work lazily. Because the work they do, I give them money for it. It's their money. And what's from my work, that money I hide." She recounts that as far as dressing up in their traditional clothing is concerned, which the work now and then requires, her family refuses to do so: "But they don't want to dress up like that, my family (...) They always say to me, we don't, we don't want to do that. And also as far as working is concerned, they are a bit lazy. Before they made small wares out of straw and the like, but now they don't do anything, nothing. My grandchild did though (...) I always say to my family, what will this business be like the day I die. They say, 'closed', or, that 'if they want, they can just take it with them'. That's what they answer me." Other businesses also report a lack of interest and participation from family members and the fact that their children do not want to study or train in tourism because of the instability of the industry in terms of income and work: "There are very few young people who see any value in studying tourism, because it offers very few opportunities for stabile work. It is not profitable. So nor does my youngest son want to study tourism, he wants to study something more reliable, more certain for

the future. An engineer or something equivalent, like his brother" (Claudia L.). Several of the owners of the businesses also point out the marginal situation of their everyday lives, saying that this makes it difficult to plan a future in the community: "Then the children will have to take over the land. This property is small and cramped, so (…) who knows, maybe they'll sell it to the neighbours. After all, they're the ones who decide after I am dead and buried" (Claudia N.) Only one of the Chilean initiatives reports that it has someone in the family who is studying tourism and who most likely will take over the business: "I have a daughter studying to be a tourist guide in Santiago" (Juan).

Also in the Norwegian case, the lack of family involvement is mentioned as a barrier to development. Leif is as formerly mentioned looking for a way to get out of the tourism business, but without losing the extra income that he needs in order to maintain the many old buildings on the farm. He recounts that in general he is the one that has been taking care of the tourism business: "Yes, I'm probably the one who has most contact with them. I'm the one who in a way is the tourists' host. And that seems pretty logical. Because the kids are always toing and froing, they work in the summer and Kristin already has enough of her own things to do and she says that you can take care of the people." He thus recounts that if the whole family had been more involved, they could have made much more out of the business: "If Kristin had been very interested in making food and that kind of thing, well in fact she is, for me, for us, but not for others. She hasn't got time. But if she had been very interested, so perhaps we would have approached this in a slightly different way. We could have had buses come up her and served lunch, told them a bit about the history. It could have been a part of an outing, an outing for pensioners, or a business outing, for example we could offer activities, linked to seminars, it wouldn't be a problem to arrange something. Sledging for example down the road or slopes, that's great fun. There are many things one could do in fact. But then you'd have to have a place to serve the food, the barn might do for that, we've got a big barn. But then everyone would have to be interested in it. In other words, the whole family would have to be prepared to get involved." The problem of having someone to take over the business is also frequently reported and in fact only one of the Norwegian businesses has the plans ready: "It'll be the eldest daughter, I reckon, but we wouldn't demand she run it the way we've run it. She'd have to do it in her own way" (Theodora). Some also point out the fact that their children have already settled down in other parts of the country or are already too involved in other professions: "We've got three children, but no. They live in Oslo, Bergen and one lives here, but does something completely different so I don't think they will, no" (Laila). As in the Chilean case the seasonality

factor, the low and unpredictable income and the awkward working hours are highlighted as factors that do not speak in the favour of tourism as a preferred career option: “But it’s difficult to get someone to take it over, y’ know, because you have to be up there all the time, and like what are you going to do for the rest of the year” (Lise Lotte).

8.5 Pluri-activity: a sustainable option?

The study by Holmengen and Akselsen (2005) of rural tourism in Norway illustrates that pluri-activity is very common among small and micro tourism businesses in the rural areas of Norway. Flognfeldt (2001) in his study of rural areas in Norway noticed different business strategies applied in order to live with seasonality including pluri-activity (e.g. tourism and agriculture, tourism and teaching), using student and migrant workers, product development to expand the season, moving away to study or work in the low season, getting into export markets and taking long holidays. We can see that the research undertaken illustrates that 85% of the owner-managers studied in this dissertation practise pluri-activity, meaning that they combine tourism with other jobs or economic activities (teaching, farming, etc.). Getz and Carlsen (2005) also argue that diversification (pluri-activity) is frequently part of family tourist businesses. However, how does this pluri-activity affect the tourism businesses in the long run and is it a sustainable practice?

In the Norwegian case Elizabeth recounts that the former owners sold the campsite to them because they eventually got tired of all the job and of having little spare time: “I remember really well that the last owner said: ‘You’ll have no time to take a holiday.’” Elizabeth argues, however, that she thinks that the fact that the former owners got worn out was because they had other jobs besides running the campsite: “Because the last owner had another job as well, so this campsite was more like an extra income. So as far as we are concerned, the biggest difference is that this is our business and that we’d rather not have another job as well. The background for this is that we want another kind of life, and then of course it would be much more stressful to have another job as well.” Elizabeth and John are very conscious of the fact that pluri-activity might be very stressful since the limited time and the diverging roles would imply that you could not manage to fulfil all the different tasks satisfactorily: “Of course we know all about the summer season. Then we have practically no freetime. But there’s a difference between freetime and stress. It’s no problem working a lot and long hours and we can manage to do that with the work we have linked to our campsite. But when we had the restaurant as well, there was too much work. And that’s when things get stressful. Because you just can’t manage to get everything done well.” In the Chilean case we

received several reports and ourselves experienced that it was very difficult to track down the owner-manager when we or tourists appeared at the business because he or she was away working: "Some people haven't been able to be about all the time to keep their place open, because they've had other things to work with as well" (Pablo, local advisor of Impulsa). Pluri-activity thus might accentuate the more general wear and tear of operating a small and micro-sized rural tourism business; having a job on the side becomes yet another role to combine with an industry which, as already argued, involves more than enough multi-tasking in itself.

Of the owner-managers that had an extra job (excluding farming) besides their tourism business and who reported that it was no problem combining this extra work with tourism, it seemed that the degree of self-determination and freedom of the job was essential. Laila recounts that it has been possible to combine her tourism business with another job because she is not expanding her business and because she has a very flexible job situation; she can basically come and go as she pleases: "This job is a very small job. And it's a job when I can go when I like. Because when I started my company, I quit that job because I thought it wouldn't be possible." She then recounts that her former boss asked her to help out until they could find someone to replace her, and that she accepted on the condition that she could determine her job situation: "So I was asked if I could imagine helping out now and again so that they could keep their heads over water until they got someone else, but it turned out to be difficult to get anybody. So I said, 'I can continue here if I can have what I want.' (...) In any case now I've been here for over ten years, so of course I know what needs to be done. And if I can do that when I want to, because it would have been impossible if I was supposed to do my office hours right when a bus-load was coming, that wouldn't have worked. But then the priest said that we could share that and do it when we wanted, and then it works well. So I can work at night if I like. So it's fine." Lena also recounts that she can combine her business with a job on the side because as she argues, "I'm lucky and work at the place I was at before. So I'm allowed to go up there and work when I want. They would prefer me to work fulltime, but that's not possible."

8.6 The sweet and the bitter: extending the season?

A fascinating observation based on the material collected for this dissertation is that the factors which the owner-managers cite as the best reasons for working with tourism are also those that are the most wearing: "What's really nice up there is that I get to meet very, very many nice people. That's what keeps you going up there (...) Even if you're tired and fed up when you're up there at

the end of the season, you hate people, and even if someone comes up to you and says 'boo!' to you it makes you nearly start weeping, or you get angry, because people stay there for several months, 24-hours a day nearly, and then it's like 'no, I'm not doing that again, it's the last year, but after you've been at home for fourteen days, you discover that it was really nice up there in fact, and you miss being on reception, being able to chat with people." Lena quit the business after the summer season of 2006, as the last straw, as argued in section 8.4.2, was that she found that it was becoming increasingly difficult to combine the role of being a mother, having a small child and running a small-scale rural tourism business. Although other factors also had a say in the decision, such as a lack of economic support from Innovation Norway which hindered them from realizing their plans, there seems to be a general "wear and tear" about running a small-scale tourism business that is more exhausting than in most other industries. For Leif, who, as argued, is also looking for a way to get out of the industry but without losing the necessary income, it is also the long term "wear and tear" that eventually became too much: "The best of experiences is the phenomenal response I get. The positive feedback you get, that's a lot of fun. It renews your energy. And there are many, many positive experiences (...) I really haven't had any negative ones up there, me. Can't think of any. Rather, I've had many fun experiences. So that's not why I'm downsizing it a bit, but because I get a bit sick of all the 'fuss'." By "fuss", he is referring not only to the family branding aspect, as argued in section 8.4.1, but the overall "wear and tear" of running the business, including the time spent on marketing, as argued in section 7.4.3, and all the multi-tasking, as argued in section 8.2. Leif recounts that he has also considered changing the concept of the business and re-orientate towards receiving more day visitors, he has discussed the possibility with his children, but as he argues, this would not change the fact that working with this kind of tourism involves a lot of work: "So I've talked to the kids about this. It's ok to be interested and enthusiastic, but there's quite a lot of work involved." He thus argues that he "would also like to have a bit of time off in the summer, I would. Then I can just start it all up again, if I like."

In their study of family businesses in Bornholm, Getz and Nilsson (ibid.) argue that many owners would prefer to expand the peak season as this would doubtless improve their financial positions a great deal. Clearly, most of the businesses in this dissertation, and not least in the Chilean case, would in terms of income and turnover welcome an expansion of the peak tourist season. Twining-Ward and Twining-Ward (1996) argue, however, that owner-managers need and welcome periods of rest, and the study of Brown (1987, cited in Getz and Carlsen 2005) concludes that taking a long, seasonal break from work was a motivation for some small-scale tourism business owners.

However, Brown also highpoints that this impeded their growth potential. Elizabeth and John tell us that to cope in this industry, you need to take care of yourself, and that it is important for them to take a break away, a holiday, after the summer season: "You could end up staying at home all the time if you just think that you always could rent out a cabin. That could happen. And when we go on holiday, someone might ring us up from the car park and ask for a cabin, but that's happened maybe five times. Well, that's just the way it is. You have to decide to have some time for yourself and decide what you want to do with it." Thus, extending the season might well lead to extra income, but how much would extending the season imply in terms of extra work, more multi-tasking and the more negative aspects of family branding? And would the extra income be enough to alleviate the general "wear and tear" of operating a small-scale rural tourism business; or would an extended season result in a re-enforcement of the general "wear and tear" and thus make owner-managers more fed up and eventually throw in the towel?

8.7 Summing up

In chapter 7, we could see that operating a small or micro-sized rural tourism business brought minimal financial rewards; in the Norwegian case, the owner-managers reported that living off tourism alone would probably imply not having a large family to support and one not demanding an average Norwegian standard of living. We thus argued that the point often seemed to be one of living *with* tourism, rather than living *off* it. In the long term, the low return on investment might contribute to the fact that many businesses fail. However, a number of more socially related challenges, what we have called the more general "wear and tear" of small-scale rural tourism, might also contribute to or be responsible for owners eventually giving up. Getz et al. (2004), based on experiences from Scotland, argue that "many have been lured by the appeal of the, often romanticized, notions of the quality of lifestyle that may be experienced. This reflects a naivety as to the 24 hours-a-day, 7 days-a-week service orientation that may place pressure on the founding-entrepreneur and family relationships as family domestic space is shared with commercial customers" (p. 29). Thus, although the marginal economic situation is partly responsible for some of the social challenges, for example since it does not allow for employing full time staff that could relieve some of the burden of the owner-managers, a number of the roles related to operating a small or micro-sized rural tourism business are not easily fulfilled by others. Time seems to be an

even bigger challenge than money.[131] Furthermore, since the family branding, personal contact and "smallness" are central features of the attractiveness of rural tourism, these elements are not easily replaced. Thus, we could argue that small and micro-sized rural tourism is exhausting not only due to the limited financial return, but also due to a number of factors related to the fact that it is highly dependent on the people running it, and the though working conditions. In this chapter we have thus identified the following social challenges that contribute to the general wear and tear of small and micro-sized rural tourism: the challenge of finding qualified and reliable staff; the extensive multi-tasking; the tough working conditions during peak season; and, a number of family issues, such as the problem of combining the role of raising children with running a small rural tourism business, the challenge of living with clients and staff and the lack of interest from family members. Furthermore, we have also argued that both pluri-activity and extending the season might help relieve the economic marginality, but that this would probably accentuate the more general wear and tear. As Paula argues "Tourism is a lot of work. You must really want to do it."

[131] However, time restrictions are not only experienced by small and micro-sized rural tourism business owners; this is a general challenge for entrepreneurs independent of industry. In a study by Alsos et al. (2006) which was to study the extent to which four different grants from Innovation Norway (between 1999-2005) for new start-ups and the commercialization of new inventions had led to new and better business establishment, the researchers found that capital and time were the main constraints on any further development of the businesses. Capital was a particular constraint during the initial phases of the business' development, while one's own time was a main barrier in terms of the later phases of the business' development (p. 8).

Chapter 9: You: To do or not to do...

”*How shall I put it? I think it's sad that there are so many people around who have a hard time of it. But it might have a bit to do with what they do. I think people have to be more open and not take themselves so seriously. Make things livelier, be more outgoing. I think it's got to do with the people themselves.*”

(Theodora)

One of the main challenges of operating a small or micro-sized company is that the performance of the business is closely linked to the owner-managers, their personalities, knowledge and experiences. As argued in section 5.1, most of the research into tourism entrepreneurship has concentrated on the small firm's operational elements and the characteristics of the owner-manager or the entrepreneurs, i.e. the "entrepreneurial human capital approach" (Lerner and Harper 2000) or the "personality trait approach" (Getz and Peters 2005), which involve the performance of the venture primarily being related to factors such as the education, experience, family background and skills of the entrepreneurs, as well as to their personal entrepreneurial characteristics. In this chapter we will thus look into some of the personal challenges and constraints that were reported or observed during the research and which affect the performance of the businesses. Section 9.1 deals with the importance of being devoted to what you do; section 9.2 discusses the importance of a sort of pro-active attitude; section 9.3 broaches the importance of "being at the right place at the right time": section 9.4 discusses various aspects linked to the importance of having the right skills or knowledge for what you are doing; section 9.5 discusses some specific challenges related to some of the businesses operated by women; finally, section 9.6 discusses how being an immigrant entrepreneur might affect the performance of the business positively.

9.1 Love and passion: tell me what you want, what you really, really want...

A very central observation in this dissertation is that one of the factors – if not the most important one – that determines whether you resist the "wear and tear" in the long term is the degree of "devotion" to or the love or passion you have for what you do, that certain spark: ”I think we're both quite interested in passion. You can't learn passion, right. You need an idea. You can never learn that idea, so you must have the necessary passion. And you need to try and fail on your own” (Per). Clearly, operating a small and micro-sized rural tourism business implies a lot of work, and

as highlighted by several of the owner-managers, you must have a real personal interest in and devotion to what you do. In the Chilean case, the leader of the local tourism organization, Claudia N., argues that a lack of devotion on behalf of the owner-managers is one of the main reasons why many of the businesses, as argued, are not yet in business. Christina Brandt, who works with INDAP and has been working with tourism development in the Chilean countryside since the middle of the 1990s, argues that her experience has taught her that devotion or a calling are the one most critical determinants of whether a small or micro-sized rural tourism business will survive and be successful: "There have been initiatives where opportunities have been seen, for example that the person concerned has a nice outside area, but this person lacks a calling. This is the way things have been done, and there's no reason to hide it, you become aware of it after it has been done, and this all boils down to experience (...) in the end you realize that it hasn't succeeded because the human factor failed (...) it must be created by this producer, the desire to have this offer, to do it. And afterwards you can fix up the outside area, etc. But shaping people, that's really hard." A lack of devotion and staying power (perseverance) are also highlighted by the local advisor at Impulsa as some of the most important reasons why some of the businesses have failed: "We've had a few failures, 3-4- projects which have been stopped, even though we've supported the family, there hasn't been a response and they have given up the projects. That's been a bad experience. The reason is they don't understand what to do, they have lacked staying power. Investments have been made, but this hasn't led to anything (…) This concerns the families who got fewest points when feasibility was being worked out. Although they got financing, they haven't followed it up, they lost contact with us, didn't meet up, or they have health problems, are alcoholics (…) it's no use carrying on with them." (Pablo). Claudia N. recounts that even though she might one day quit her post as leader of the local tourism organization, she will continue working with tourism, because for her it is about devotion and she is determined to demonstrate that she is capable of developing the business step-by-step: "And even if I give up my position as leader one day, I wouldn't quit tourism, because I've already had a calling. And I must show my people, and the government most of all who trusted me, gave me some money so I could work (…) I must advance and advance, step by step, to remain a Mapuche micro-business in the future. Show them that we can make it, although my business partners are still dragging their tails, but I want to continue and continue motivating myself. And as far as those people who don't keep up are concerned, well, I don't know what the problem is, but there might be new people who want to start something up and then I have to help them." Thus devotion is important, as well as a proactive attitude.

9.2 Proactivity: About not taking 'no' for an answer

Entrepreneurship and innovations are often associated with a certain pro-active attitude, and while conducting the research it became increasingly clear that the existence or lack of such an attitude were important factors in terms of the success or failure of the businesses. The pro-active attitude concerned the capacity to actively seek out opportunities and push through processes, as expressed in this passage from one of the Norwegian owner-managers: "Often when you try to contact someone you get a 'no' first or a 'maybe' in response. So then you might think, 'Oh, that means they're probably not interested', but I always make that extra effort and try to find out beforehand what might make them interested in cooperating with us. What can we offer? And after you've found that out, it's more difficult for them to say no, as they might then be more interested." (Elizabeth). This pro-active attitude was also observed in the Chilean case, as expressed in the following situation in which Miguel recounts how he has observed that foreign tourists are more interested in the Mapuche culture and how they are also, unlike the Chilean domestic tourists, willing to pay for cultural experiences: "And thanks to this I have noticed what kinds of tourists come here, and we are about to recognize types of tourists. So I think maybe we should use a system to 'catch' the foreign tourists. Then I believe we would really be working and reaching our goals." However, although some of the younger Chilean owner-managers are proactive and always on the lookout for new ways of developing the business, the majority, especially the older owner-managers, are very passive. The majority of the older-owner-managers are, as argued in section 7.7, not very aware of the importance of marketing; basically, they just sit around waiting for tourists to appear: "**Suddenly** someone turns up. From other countries, foreigners. A short while ago six Frenchmen were here. They were studying medicinal plants. Botany teachers. From the US who were studying medicinal plants" (Mario). Thus, if no tourists appear one day, the next day they might decide to close the initiative: "If one day nobody turns up, they close next day (...) If someone by chance passes by there's nobody there, and then they lose their opportunity. That has happened." (Pablo, local advisor at Impulsa). This passivity not only frustrates the local advisor of Impulsa, but also the leaders of the local tourism organization who argue that people have themselves to blame for their marginal situation: "But they've only got themselves to blame for the situation, because there have been and are many courses and suchlike but they don't go on them. If people really wanted to improve their situation, they would have participated (...) When are they going to get themselves ready and move on, these people? Are they waiting just to get it, like it's going to fall from heaven? If they don't make any effort themselves, what more can you do for them?" In chapter 10 we will help Claudia N. seeking some understanding and explanations to this lack of a

pro-active attitude among her business associates, but first we will look into what being in the right place at the right time might imply in terms of firm development.

9.3 Luck, fashion and a nose for business

Sometimes things happen that do not really depend on whether you have a proactive attitude; you just happen to be in the right – or wrong – place, at the right – or wrong – time. It is quite apparent that some people have had more luck than others and also that some, for example, have more of a nose for business opportunities. The problem of luck and a nose for business, especially from a planning and management perspective rooted within the frame of more traditional approaches to business research, is that it is impossible to measure factors like luck. For example, how would you include luck as a variable in a business lifecycle model? In point of fact, luck and other unforeseen factors might even cause such theories to buckle under. No matter how much we would like to be able to predict and control all elements of business success or failure, things do occur which are totally outside of our control; they might even have such an impact that they determine the outcome of the business. The following case about how one of the businesses came into being illustrates this situation very well: "So I started up just when the municipality was going in for tourism, so I got max back-up and slid straight into the system because it was just what they needed and didn't yet have, a farm preferably close with animals. And then there was the *Tinn Finneren* competition, it was a sort of tray with six large silver coins in it. There was a space for each coin, and on the coins was the name of the place you had visited. Our farm was on one of the coins, so people had to pop in here to complete the tray, and then they had the chance to be in a draw for three lovely prizes. So it all started with a real bang." (Lise Lotte). However, Lise Lotte has not been blessed with luck just once, but twice. One day she received a phone call from the national broadcasting corporation; they wanted her to take part in one of their most popular programmes: "In 94/95 a thirty-minute film was shown on *Ut i naturen* just filmed at the farm, the whole half-hour. And this was prime-time on NRK[132], an unparalleled lift for us, it goes without saying. It was about the whole year in fact, including the riding I'd been doing around Østlandet by horse and cart, that was included, and something about the preparations for the Olympics and lots of that kind of thing, and it was just (…) next summer minibuses of people from Oslo turned up, it was incredible, I tell you." She thus argues that the marketing effect of this programme lasted for several years: "Of course it lasted for some years and then decreased slightly. But still, ten years after the film was shown I meet people

[132] NRK is the Norwegian state channel.

around who still remember it, who say, 'Aren't you the one who rode that horse aboard the Bastø ferry?' It's incredible, as I don't even have the same horse anymore! So you might say it's helped for very many years to keep the level so high in terms of the number of tourists." As with reference to marketing, Per and Gry also got a flying start which they are still enjoying in terms of networks, free marketing and income: "And we had some special trips just when North Pool was current some years ago, with Jørn Hoel and Arne Hjeltnes (...) And it was then that it all got going, after that (...) So we were really helped when we started up and we still notice the fruits of that, because they have member companies, and they gathered the bosses of those companies, flew them in here by helicopter, and then we trekked the *sabotørstien*[133] with them and that was while Claus Helberg was still alive, so he was on the walk as well, and this was a real flying start for us. Because suddenly we were known. We were on the inside and had quite an extensive network." Being at the right place at the right time is also visible in that when Hanne's parents started the business, they garnered little understanding or support from the public authorities: "There has been a lot of really weird political thinking. We were one of the first in Norway to start up with cheese production, or processing at home on the farm to any great extent. And this wasn't exactly very well accepted in 1986." She argues that today the situation is finally changing: "Our way of running it is untraditional in the agricultural society of today, but now there's beginning to be greater acceptance, but it wasn't in a way seen as farming, what we did (...) Only now, in the past two, three, four years, has it really rocketed, and it's what Sponheim[134] advertises for, starting your own businesses. So it's been a rather long march." However, just as being at the right place at the right time is important, so is knowledge and competence.

9.4 Knowledge: education and experiences

The term "the knowledge economy" is often used to describe certain aspects of contemporary societies in which the production, distribution and use of information are perceived as essential both for business survival and destination development (see e.g. Hjalager 2002, Cooper 2006). However, according for example to Hjalager (2002), within tourism a number of industry-specific conditions often hamper the generation and transfer of knowledge, and apart from frequent reports about the lack of education and training of the majority of tourism workers (see e.g. Richards 2001), little (systematic) research into the relationship between knowledge and business survival among small or micro-sized rural tourism businesses exists. However, small-scale tourism operators do not, due

[133] A historical trail in Rjukan.

[134] Lars Sponheim, Norwegian Minister of Agriculture 2001-5.

to their multiple roles as argued in section 8.2, only need knowledge about tourism and management, they also need extensive knowledge about a number of other "offices" in order to run sustainably a small or micro-sized rural tourism business. Research related to the nature of knowledge often distinguishes between whether knowledge is tacit or codified. Codified knowledge refers to knowledge that is transmittable in formal, symbolic language; tacit knowledge is hard to articulate and is acquired through experience (Edmondson et. Al. 2003). In this section we will look into some concrete examples that illustrate how possessing or lacking certain "basic" knowledge or experiences might be an important restriction in terms of the development or survival of one's firm.

9.4.1 General background: tourism, management and technology

Earlier research indicates that a majority of workers in tourism have no training beyond primary-school level (e.g. Richard 2001, Hjalager 2002). McKercher and Robbins (1998), based on data from nature-tour operators in Australia, concluded that most businesses "are run by owner/operators who have no formal business or marketing background and no prior experience in the tourism industry" (p. 173). Through the research undertaken in this dissertation we can observe that in both case areas the level of education and experience varies highly from one business to another. In the Chilean case, only one of the owner-managers has a university degree, one graduated from technical school, whereas most of them have not completed primary school: a couple of the owner-managers can hardly read or write. None of the Chilean owner-managers speak a foreign language such as English or French, and some of the older owner-managers do not speak Spanish very well, and some of the younger owner-managers do not speak Mapudungun, the native language of their culture. However, most of the owner-managers have attended a range of courses, mostly about tourism, but also a variety of other courses arranged by the large number of developmental programmes and NGOs present in the area (se section 3.1.2). Although only one of the owner-managers has earlier taken any courses in the management and business administration of micro businesses, several of the male owner-managers have been or are local village leaders and have had access to training through the parish church in Pto. Dominguez (Impulsa 202: 17). The local advisor of Impulsa, Pablo, argues that the owner-managers have attended a variety of courses: "A introductory course about tourism, rural tourism, technical training and tourism generally, customer service, small-business administration, basic accountancy, ecological tourism, hygiene and food preparation, traditional Mapuche cuisine, healthy eating, personal development where they learn about communication, respect for others, developing a support network (...) Some courses we've given ourselves, others have been given by experts depending on the topic." However, most of these

courses have been short-term workshops of 1-2 days, and since they have not been compulsory the rate of attendance has varied. Liliana is one of those that has attended many of the courses, but since she does not speak Spanish very well, the efficacy of the courses has varied: ”She took part in about two years of schooling which is a part of (...) but it is not that easy to understand, so one day she said to me: ’I want to drop out, because I am tired and I understand very little.’ So I said to her one day, Señora Liliana, you’ve taken part for so long, maybe one of these days a project will turn up (red: financial support)” (Claudia N.). In its report Impulsa (2002) recognizes the fact that some of the courses have been to difficult for the older participants: “On the ecotourism course, on which there were participants of different ages, it emerged that the rhythm of the classes were much too fast for the oldest ones (…) Those below 40 in particular managed to completely master the concepts necessary to develop the more complex activity”[135] (p. 8). The younger owner-managers have in general managed to internalize the knowledge much better. Claudia N. and Sergio for instance are very concerned about the importance of learning “the new technology”. By new technology they basically mean computers and the internet. However, apart from Sergio who has learned a bit about computers thanks to his technical studies, none of the owner-managers has any knowledge of how to operate a computer or use the internet. As argued in section 8.4, this now prevents them from approaching international tourists effectively, since they do not have the knowledge to develop or update their homepages which, as it has emerged, constitute the most important marketing channels or media for reaching such clients. Finally, as argued above, tourism is a new industry for the Mapuche-Lafkenche people and none of the owner-managers thus had any prior experience of working in such area.

In the Norwegian case, the level of education also varies, but compared to the Chilean case the average level is, perhaps not surprisingly, much higher. Few of the Norwegian owner-managers had had any specific training in tourism or hospitality when they initiated their businesses, but some have since attended classes or courses: “I took travel school very quickly. And it was very useful. The course was fabulous. So I was incredibly satisfied about that (...) I thought it would be a bit too much for my little place, you might say (...) But it was incredibly informative!” (Lise Lotte). ”I’ve been on many courses, I have, learnt a bit about the ***craft*** of being a host for tourists” (Leif). However, several of the Norwegian owner-managers also have a higher education or professions

[135] “En el curso de Ecoturismo, las diferencias de edades de los participantes dejó en evidencia que el ritmo de las clases era demasiado rápida para los más adultos (…) Especialmente los menores de 40 años lograron plenamente el manejo de los conceptos necesarios para desarrollar la actividad de mayor complejidad”

from other fields which are highly relevant, for example in terms of the management and administration of a business or project. Per was educated as a leader in the Norwegian Army and Elizabeth used to be a business developer and personnel manager for a large company in the Netherlands. John has training as a chef and as an IT-expert. As Gry recounts: "And I've studied hotel management and culture at the The Norwegian School of Sport Sciences[136], and outdoor pursuits." Furthermore she has studied at the Norwegian Mountaineering School[137], and has gained knowledge and insights which today form part of the methods and techniques they use at their business. Only a small minority of the Norwegian owner-managers has no education beyond primary-school level, but among these some have former work experience which is highly relevant in running a small-scale tourism business: "And then I was given a bit of office work, small things, and by the end I (…) well, I was running it, I wasn't the manager officially, but I felt as though I was running the place almost on my own, with fifty members of staff and I've learnt an incredible amount up there, from Marianne. She's taught me an awful lot, she really has. So I got a lot free from her" (Lena). Five of the owner-managers have had earlier experiences of working with tourism; three of them had parents or grandparents who had been involved with the industry: "Mother and father started up in Austidalen and built cabins. They rented them out by the week, and that's how I learnt German. We had Germans, the Dutch, Danes and Swedes. At that time we were in Austidalen all summer, we (red.: the children) had to clean the cabins and receive tourists." (Leif). Observable is thus that, compared to the findings of many other studies of small-scale (rural) tourism businesses as argued elsewhere, the owner-managers in the Norwegian case have both relevant knowledge and experience.

One of the main differences between the two cases is thus that while the Norwegian owner-managers have important codified and tacit knowledge, the Chilean owner-managers lack basic elements of both. Regarding knowledge about how to run a tourism business, we can see that the older owner-managers in particular face a number of challenges which are related to the fact that the administration of their economic resources is based on subsistence housekeeping, i.e. a sort of short-term planning perspective which for instance does not involve putting money aside for business administration or development. Mario's case illustrates this very well. One of Mario's tourism products consisted, as formerly described, of a small kiosk where he could sell beverages, traditional Mapuche drinks, etc. However, when we came to visit, his kiosk was completely empty.

[136] Norges Idrettshøyskole.
[137] Norges Høyfjellsskole.

He explained that he had no money to buy stocks; accordingly, he had also taken down the information sign along the road that showed the way to his business since it, according to him, was misleading: the sign said that he had wares, which was not yet true. Because of removing the sign, he had also had fewer visitors to his other products, thus less capital. We could argue that Mario has entered a vicious circle, and was only waiting for someone to come and give him money so that he could buy some more stocks, which the following dialogue between Mario and the interviewer illustrates.

Interviewer: And how's it going with you and tourism?
Mario: Not very well as I still lack resources...
Interviewer: Like what?
Mario: Resources for stock...

This reasoning, we observed, was quite normal among the older owner-managers in the Chilean case. The majority of the younger owner-managers on the other hand have a different understanding or perception about economic and business administration, as the following situation illustrates: "But I'm careful, I don't spend my basic capital, in other words I carry on buying products. I keep animals and if I don't have any money, I sell a pig or suchlike to rebuild the capital. So that in the summer, when the tourists come, the ruka is full" (Claudia N.). The importance of always putting aside basic capital for business continuity and development is also one of the experiences of the project that Impulsa (2002) thus also recognizes as one of the most basic success criteria: "In addition, to possess a minimum capital stock, is fundamental for the initiation of the activity (independent of the support that can be obtained)"[138] (p. 23).

9.4.2 Core skills: The essence of your product

Tourism products differ from ordinary goods in a number of ways. Gartner (1996) argues that the tourism product in most cases is "an amorphous mass of experiences entirely subjective and therefore of an intangible nature" (p. 409). Furthermore, tourism products are produced and consumed *in situ* (Shaw 2004b), and thus not really inspectable prior to purchase. Tourism products are not in most cases standardized and, due to their character, customer satisfaction depends heavily

[138] "Adicionalmente, poseer un respaldo económico mínimo, pues éste será fundamental para echar a andar la actividad (independiente de los créditos que puedan ser obtenidos)"

on the knowledge, expertise and impartiality of the product provider. Thus, observable in the Norwegian case is that the tourism product in most cases is built around some kinds of "core skills" of the owner-managers, and this for example is visible in that a number of the owner-managers have some former expertise or professional training on which they base their products and the type of tourism they offer. For instance, Heidi who runs a summer pasture, has attended the Norwegian Agricultural College and Hanne, who runs with her husband a business producing goat's cheese and other traditional farm-based food products basically for tourism consumption, is a trained cook: "I'm actually a cook, I am. And head of the kitchen. I'm trained in food. My sister has studied agriculture and that since. So I got trained in cheesemaking, in part afterwards, as I was supposed to be here." In the case of Gry and Per the core skills are based on both training in and experiences of nature, cultural heritage and outdoor pursuits. For Leif, who runs a holiday farm, the products centre around the everyday life on the farm; he shares with the tourists his knowledge as a farmer and the local history and his experiences related to the nature nearby. For Lise Lotte, the core of her product is centred on what she most likes herself, horseback riding and outdoor pursuits; Nils has a particular interest in and has acquired knowledge about local history. In other cases, we can see that the owner-managers already have or have educated themselves in order to obtain the necessary "core skills" to satisfy customer demands. In other situations, they cooperate with other businesses or local entrepreneurs that provide the core skills that they are short of. Thus, the core of the business product in most cases is founded on the owner-managers' genuine and personal interest in and knowledge of what they are doing, thus ensuring high-quality products. This personal and genuine interest is thus also strongly related to what we in section 9.1 referred to as love and devotion.

In the Chilean case, most of the core product is centred around the owner-managers' cultural heritage as an indigenous culture. Thus, we could argue that when cultural heritage is at the core of the product, the prime knowledge that you need in order to satisfy customer demand and offer a high quality product is that you need to know this heritage well. Heritage is often codified knowledge which is handed down from generation to generation, and in the case of Theodora for example, we can see that she learned her tourism profession, i.e. how to run a summer pasture and produce traditional wares, from her mother-in-law. In the Chilean case, however, we were quite surprised to discover that the purported core of the product, indigenous heritage, was not yet particularly present or an integrated element in the everyday lives of most of the owner-managers. Arturo recounts that he used to be a local community leader; however, at that time he was not very

interested in his cultural background: ”I was a local community leader before I started up with tourism, but I wasn't that aware of the culture, quite distant (...) it didn't interest me that much” (Arturo). Consequently, most of the codified knowledge on which the core skills of the tourism product should be based has in fact been lost and is thus not possessed by the owner-managers. Claudia N., leader of the local tourism organization, recounts the following, referring to the traditional rukas which many of the owner-managers had reconstructed as a central part of the tourist product: “So I was really surprised when I took on the role of leader, last April, as several of the owner-managers came to me and said that their ruka had rotted, the grass, the mattresses, etc.” Why this has happened, Claudia N. argues, is that although their ancestors constructed rukas that lasted up to 30 years, this knowledge has now been lost: “It's like we've gradually lost a part of our knowledge, the materials in the area won't do. They get soggy, I don't know, maybe it's because of when we cut them, I don't know. They say that earlier they knew precisely in which period one should cut them. But nowadays one cuts them and gathers them at any period, as and when needed (…) The moon and ocean apparently also affect this. The phase of the moon, whether it's waxing, affected everything before, for our forefathers, but nowadays they say, 'I'll do it now', period. Maybe it's because of this we're not managing to do it, because one doesn't take such things into consideration anymore (…) and we didn't learn from our forefathers. Maybe our fathers knew, but they never said anything to us. This has gradually been lost.” Liliana, who is one of the oldest of the owner-mangers, argues that she learned how to make the traditional handicraft products from her parents: ”My father, my parents, worked with this and that's how I started to learn about it, to find the grass, *los chupones*[139].” However, when she initiated her business she did not know how to dress in the traditional clothing in order to attend the tourists: “It was difficult for me to dress up as a Mapuche, I didn't know what I was supposed to wear, how to decorate my *chamal*[140]. I had to have someone help me dress. It was a real hassle.” Thus, in the Chilean case, central elements of the core skills have vanished, and they have had to recreate much of this codified knowledge: “Before I didn't think about culture at all. But when this project started, we started to have more contact with the old people, to learn properly about what we could tell the tourists, because otherwise, if they asked us, what should we say?” (Claudia N.). Several of the Norwegian initiatives have also recreated old traditions thanks to training they have attended or through tourism activities, but since their products in the marketing of the businesses are not that geared towards “ancestral culture”, the tourists do not expect such skills to the same extent as they do in the Chilean case as we will get

[139] A native plant.

[140] Chamal is a traditional dress for the Mapuche woman.

back to in chapter 11. In this respect Gartner (1996) argues that the smaller the difference is between the expectations of a tourist and his or her experiences, the more likely a tourist is to be satisfied.

9.4.3 What is it like being a tourist?

However, the owner-managers in the Chilean case have not only lost much of the codified knowledge that was traditionally passed down from one generation through another; they also lack another form of codified knowledge which might be a central barrier to developing or improving their products or businesses: they have never had the chance to experience what it is like to be a tourist. They have, through the project, twice visited other tourism businesses: ”Twice the participants on the course have visited other places to see how they have done the building, to see the experiences of others” (Palbo, the local advisor of Impulsa); but they have never had the chance to go on a vacation and experience what it means to be looked after as a tourist. Christina Brandt at INDAP, recounts that when she was working with micro-businesses in tourism, a central element was visiting other businesses at which the owner-managers were told to behave as if they were tourists: ”The visitors are treated in the same way as tourists, because they have rarely been or experienced being tourists, so they too need to live out the experience of being a tourist and be served to see how they like it (...) to start with, it’s difficult to be more demanding, to say ’I would like this and this’, a glass of real fruit juice instead of water, for example. At the beginning you will accept a glass of water and you drink it (...) but we’ve done what it has been possible to arrange, a few trips (...) and in the end we do this, in front of the hostess we talk about what was good and what was bad: ’I would have done it in the following way, I would have liked this and this, etc.’ In this way the guest learns as much as the host. But we no longer do all this, but one day we’ll reintroduce it.” In the Norwegian case Elizabeth recounts that for them it is important to go on vacation because they then see how other places are run and get inspiration and gather ideas which they can use to improve or develop their own business: ”We think it’s important for us to travel a bit around ourselves to find out how things are done at other tourist places (...) So we’re now travelling around a bit and I pick up on a few things here and there. As inspiration, because you don’t necessarily need just your own ideas. It’s great to see how others do it.” In the Chilean case, Paula recounts that one of her greatest desires is to have the chance to travel to see how others work with tourism: ”To watch and learn, but one doesn’t have that kind of resource (...) I’d like to see people who work with tourism, what they do to get so many visitors and why we don’t.” Thus, in the following section we will look into what might be one of the consequences of the Chilean

owner-managers never having had the chance to experience what being a tourist is like, and how this might highly affect the long-term survival of their businesses.

9.4.4 A hen in the kitchen or not...?

In the Norwegian case, it was obvious that the owner-managers put great efforts into the appearance of their place, keeping the place neat and clean: "We offer overnight accommodation so the place has to be nice and clean. That's important." (Elizabeth). Lena also recounts that one of the reasons for their high employment costs is that they maintain very high standards of cleanliness: "We're very fussy about cleanliness. We want it to be very nice and clean around us, so we have a lot of staff." Leif recounts that they never let the tourists clean after they have left: "We always do the cleaning ourselves. I don't want them to do the cleaning because they can't do it properly." Hanne argues that keeping the place clean is a must and is something that her parents have always spent a lot of time on: "So the aim is that by 10 o' clock the kitchen should be clean, pristine and looking fabulous. It's a lot of fun because we get a lot of positive feedback with people saying, 'Oh, it's looks nice and all proper here!' This is something dad and the others have been very clear about: if you're going to receive guests, it has to look nice and proper. And I understand that, because it's not very nice when you're out travelling as a tourist yourself and you arrive somewhere and it's all dirty, overflowing with lots of rubbish and crap. No, that's really unacceptable." However, in the Chilean case, the standard of living is very different from the Norwegian one; among the Mapuche-Lafkenche farmers it is normal for animals to be a part of the household: "The traditional Mapuche way of living didn't separate the animals from one another or the animals from the living quarters. The hens are with the dog, the cockerel with the sheep (...) all together" (Christina Brandt). The hygienic standard is also different; many places do not have flush lavatories and just outdoor toilets, and flies are frequent bed-mates. However, the Chilean owner-managers, as we shall see in section 11.2, believe that the international tourists in particular are seeking a tourism product that is as natural and primitive as possible. Claudia N.'s experience, she recounts, is that the tourists leave very happy with the way things are: "Oh yes, when they leave they're very happy. They've even sent us pictures and photos as thanks." Clearly, some tourists seek primitivism in their search for the "authentic" indigenous Mapuche culture, but most tourists would probably require a bit more comfort, not least for health reasons and to avoid diseases. Santiago Fernandez, who works with the regional office of Sernatur, argues that "a satisfactory level of service is lacking, clean enough toilets, good hygiene. I've spent some days at some of the places (…) What concerns the foreign tourists most (…) is that they are afraid of falling ill. That is also a factor." Christina Brandt, who as

formerly argued is the person with the most experience of working with rural tourism in the region, although not specifically with the Mapuche-Lafkenche people, recounts an experience with another Mapuche tourism business that INDAP has supported financially: "Earlier there was a group from Germany here and I wrote to their courier here to ask about their experiences, and they confirmed the criticism from the other group. It was pointed out that the outside area was dirty and muddy." It was also clear from the empirical observations that some of the initiatives lacked maintenance. Liliana had a really nice septic toilet, but it had no water, so she had to go outside to the well to get water to flush it. Susana, who works with the German NGO GAR and is currently working in the ADI area, although with another project, argues that "Mapuche tourism is something very new, and they still need to improve the quality of what's on offer (...) It's not enough just to have a ruka and an oven on the floor. Arturo in Llague Pulli is good, clean and offers good food." Sebastian Raby, head of Sernatur's regional office, points out "the various ethnic tourism projects in the region. We've got some, but to my mind (...) 95% of these initiatives cannot be commercialized and placed on the market. They are very new projects, and still of a very poor standard." However, Pablo at Impulsa recounts that they have surveyed tourists and that the feedback has been good: "The impression of the people who have visited the area is generally very good, that they have been taken very good care of, that people are hospitable, that the activities have been fun (...) A short report was made based on the survey last year, and generally the feedback said that the quality of what's on offer was good." Thus, the challenge is: who to believe? There was a dramatic decline is visitors from the 2002-2003 season to the 2003-2004 season, but according to the discussion in this section it is not possible to determine whether this was due to the standard of the installations or not. However, from the point of view of the researcher it is necessary to improve the standards of many of the places to attract and appeal to a wider segment of tourists. Flies are not charming when you really get to know them and they come in their dozens.

9.4.5 Customer treatment and intercultural skills

Knowing how to attend to clients is crucial when you operate a small or micro-sized rural tourism business. In the Norwegian case, Lise Lotte recounts that she thought that she knew what service was, but that she gained a completely new understanding after having attended travel school: "It's not just about receiving tourists and taking care of them, you've got an incredible advantage if you can offer a bit more than you think you can (…). The main things are service, knowing what service is, I wouldn't have had a clue about it if I hadn't gone to travel school. Although I thought I did, you get a totally new attitude to the way other people can be treated." In chapter 8 we argued that

the Norwegian initiatives were very conscious of the importance of attending to the clients, but that "demanding clients" 24-hours a day were also clearly one of the elements that eventually wore them out. Several of the owner-managers highlighted that since you depend on the customers to be good ambassadors for the business, it is impossible to be negative towards them: the philosophy of "the customer is always right" was the general line: "So we always try to accentuate the positive. That the customer is always right up to a certain point. Because if they're just argumentative types, then in a way you can just say 'yes, of course, sir' to get rid of them, you might say. The most idiotic thing you can do is to start arguing with a customer, for even though you know you've got your facts right, they've already made up their minds. But you recognize people like that right away" (Hanne). Theodora also mentions the importance of paying that little bit extra attention to the clients: "When you do tourism you have to be outgoing. So I'm always hugging people, and I think people appreciate that. Especially older men. It doesn't take much. And then they feel that they are welcome." In the Chilean case, knowledge about how to treat tourists and experiences of different situations that you might run into are still rather limited; there is also a clear generational difference in how well the different owner-managers have managed to internalize the knowledge that they have obtained. Claudia N. has attended almost 20 different courses and she has managed to internalize much of the knowledge. Concerning attending to the clients, she argues: "For example someone turns up who wants to sleep in a tent, and then they might ask for a bonfire, firewood, and stuff like that (…) bread, *sopaipilla*[141], and other stuff. The boys serve them, always with a smile, and in the afternoon I approach them carefully to say hello and talk to them. And it's then, little by little, that you can develop a dialogue." Miguel, who apart from Claudia N. as argued, has the longest experience of working with tourism, is also very concerned about the importance of attending to the tourists: "As far as servicing tourists is concerned, you have to be very careful. Tourists pay for the service they get and it's important to give them good service." However, in the Chilean case many of the older owner-managers know little about how to make the tourists feel welcome. Claudia N. recounts that the feedback about her business from the tourists is very good, but that this is not the case with many of the other places: "Like I said, in the afternoon/evening I go and talk to them, and they really like that because they don't do that other places. They come on their own, fix up things on their own, make food alone, etc. They don't have any contact with the owner of the business. They tell me that this has happened in several places, so here it's different, because the owner comes and tells them about how the work started, what it's called, plans for the

[141] A traditional mapuche dish.

future (...) all that kind of thing. And you tell them about yourself, and when they leave they're very happy. In my case, my family. But in other cases they have left all sad (...) because like I said, in some cases they don't know how to welcome them, and they demand payment which is out of all proportion. And that's not the way it's supposed to be. They're taking advantage of the situation." Pablo at Impulsa tells that when they developed the project, they tried to target the families that had a certain capacity to relate to other cultures, "because many Mapuche families are very reserved, but others are more open culturally".

9.4.6 Make your way: the necessity of acquiring a number of technocrat skills

While conducting the research, it also became increasingly clear that to obtain financial support and approval for the business, it was necessary for the owner-managers to have or develop a number of technocrat skills. For instance, to apply for financial support you need to know at least: a) that a fund, institution or project exists aimed at tourism or rural development that might support your ideas or plans; b) how to fill in an application and additional information (e.g. a budget); c) how to articulate and argue for your project so that it fulfils the requirements and convinces the funding body. It is difficult, however, to imagine how someone who can hardly read or write would be able to fulfil all these requirements; even people with a relatively higher level of education could find it difficult to capture the specific "language" which often exists in such bodies. The different institutions are often expert systems comprising professionals who often have a double role; they are there to assist the business with its request and at the same time they have to ensure the money that the institution allocates is used profitably and according to instructions. We can see that the "financial environment" in the Chilean and Norwegian cases differs substantially. While the main financial sources for the Norwegian businesses, as argued in chapter 7, have been Innovation Norway or bank loans, in the Chilean case, financing is obtained through a range of NGOs who locally act as intermediaries between the financial sources (government pro-poor programmes, international aid, indigenous development programmes, etc.) and the local community, and each of the NGOs normally has different fields of attention and requirements. The amount that can be obtained through one institution is, as argued in section 7.3, limited such as with Miguel who over the years has been granted a total of 12 million Chilean pesos for his business, only 2.2 million of these through Impulsa and the rest through a number of other institutions. Furthermore, each support programme normally has a duration of no more than three years and scarcely any following up: "But after you've been given help for three years, you're then left to your own devices" (Javier). Thus, in order to finance your business, project or even life at the local level in Chile you need as

we will get back to in chapter 12 to be a skilled "puzzler": "Although they have granted the money to other things, you can adapt it to what you yourself want. It's not that direct (...) in terms of training or other objectives, for example for a meal, getting water installed in the villages, etc." (Claudia L.). Today Claudia L. is quite familiar with the way in which one should proceed to obtain support for different projects in order to make a living, but she recounts that it in most cases is a quite complicating and exhausting process, and with reference to setting up the tourism business it took her several years before she managed to obtain any financial support: "And because someone in the family fell ill, I returned to my place of birth. And then I got to know Claudia N. (...) and one day she asked me why I hadn't gone on a course, some kind of training. And that's how it all started. That was 7-8-years ago now (...) I was a handicrafts teacher, but unemployed. So we started participating and got more and more involved and took part in courses and in the end managed to get our projects approved."

9.5 Female owner-managers: low self-esteem and perfectionism

As argued above, more than 50% of the tourism businesses studied are run by women, and as the study progressed it became increasingly clear that in general the women owners at both destinations were less confident about their businesses than the male owners. A study by Garcia-Ramon et al. (1995) about the changing role of women in farm tourism in Spain highlights that since no special preparation is necessary and a full livelihood cannot be obtained from rural tourism, such women do not regard it as a "true profession". Furthermore, in most situations the success of a business is measured in terms of "indices that reflect the size of the business, generally in terms of revenues and number of employees" (Lerner and Harper 2000: 84); thus, since the small and micro-sized rural tourism businesses are often associated with low incomes and little profit, many of the female owner-managers tend to perceive themselves as rather marginal contributors to local industry overall. Furthermore, in the Norwegian case many are registered as self-employed (see section 4.2), which in itself often seems to be perceived as synonymous with "insignificant". Many express, however, a desire to be recognized for their efforts: "And so I think that (…) well, I think about the municipality and that they could show (…) well, give some positive feedback saying oh what you do is great, you are an important product for us so people come up here, for example. It wouldn't take much more than that" (Theodora). Pablo at Impulsa argues that one of the most positive outcomes of the tourism project in ADI Budi is that "many women are involved in the project, they are leaders and feel more appreciated." This is clearly the case with Claudia N.: "So I started off doing some training but never dreamed that one day I would be a leader, but little by little over time

I have perfected myself, and I liked this work as leader." It is also interesting to note that obtaining economic support is for many of the female owner-managers a vital recognition of their business and thus of themselves: "I got quite a lot. It was obvious they thought it was a very good initiative" (Heidi); "I had never even dreamed that I would be approved" (Paula); "I got a start-up grant and I was very pleased about that" (Laila). Furthermore, the female owner-managers are more cautious about expanding and taking risks; they also tend to be more perfectionistic about what they do: "The worst thing might be that I'm a bit too thorough (...) That's what Truls (red.: her husband) says too: 'You're going to kill yourself getting yourself ready'. Because people who aren't that thorough, they usually do all right as well, even though it's a bit less well done, but I think it's fun when people are satisfied" (Laila). Hanne explains the difference between female and male entrepreneurs thus: "And I would like there to be more women who were a bit more prominent in this area. Who could be front figures in a way. Because that might help more women and girls dare to try it out (...) We need a little something to believe in ourselves, and dare to do it. So things like that are needed so we can blossom. The lads are a bit better at just making that leap of faith, but girls have to weigh it all up a million times in their heads. That's the big difference." Furthermore, being too perfectionistic in all you do is ultimately also one of the factors that wears you out when you work with small-scale tourism and people all the time.

9.6 The benefits of being an immigrant

One final observation that relates to personal issues and constraints was that it seemed that, in some situations, it was easier to run a small-scale rural business if you are an immigrant to the area. While many of the locally born owner-managers expressed frustration with a lack of backing and recognition, for example from the local authorities, immigrants told us about the warm welcome and open attitude with which they had been met: "From the moment I moved here, I feel it's been welcomed with open arms, truly I do. Incredibly supportive, incredibly positive, a lovely place to settle down in the way one has been welcomed with new ideas, thoughts, seeing opportunities. I think it's probably hard to have a vision if you're so close to home, but coming from outside the area and seeing the opportunities is easier. And I must admit that the reception we've had, in terms of living up here and having new ideas, in terms of the application for planning permission when we wanted to build our place up in the valley of Fjøsbudal, we've had a fantastic reception and a great deal of support" (Per). When asked whether she thinks that such support and backing have been vital for her business, and about the way in which she has been supported in the municipality, Gry answers: "If there had been a lot of opposition, it wouldn't have been much fun in the long run. If

one felt people were working against you instead of having staff who shared our goals, I think that would have a great effect. Because you are supported throughout the process, it makes you want to develop it further. I believe that absolutely." Per adds: "Strictly speaking it's not just about the municipality. It also for example applies to a big company like Hydro in a number of ways. Norsk Hydro owns Vemork bridge. And the fact that we get to use that bridge for free, we did some work for them which meant that they sponsored us with electricity down on the bridge, which would have been a big investment. As I mentioned, we get to use the bridge, they welcomed us with open arms." Lise Lotte one of the other lifestyle immigrants, in section 9.3, also relates about the warm welcome she received and the backing she received from the municipality when she started up her business, contrary to Theodora in the former section, who feels that she has basically been neglected. Thus, in some senses we could it seems that being an immigrant might be advantageous, since you can then approach people and institutions without having a lot of "cultural baggage" and without knowledge of the famous *Bygdedyret*[142] often referred to as a central element of the Norwegian countryside. Per argues that all has to do with how you approach people and that it is essential to have an open and friendly dialogue right from the start: "And the fact that we had been very aware and contacted them, asked for advice, had an open dialogue, has helped us develop very good cooperation with Hydro Olje og Energi and given them room to air their problems, and we've been totally honest with them, for example about the ice climbers." As another lifestyle immigrant, Elizabeth has the same positive experiences with the local community and authorities, apart from the technical section, which due to its very nature is a section that people generally often struggle with.

9.7 Summing up

As argued in the introduction to this chapter the research into tourism entrepreneurship has concentrated much on the characteristics of the owner-manager or the entrepreneurs, i.e. the "entrepreneurial human capital approach". One could argue that this is logically given the fact that the performance of a small or micro-sized company is very much linked to the personalities, knowledge and experiences of the owner-managers or entrepreneurs. The empirical material in this dissertation points to a number of issues and challenges related to the above, which might have a central bearing in whether a given company will survive in the long run or not. In the opinion of the author, one of the most important personal characteristics in terms of success or failure is a sense of

[142] The collective community/village idiocy and prejudices to encourage conformity.

devotion to what you do. In order to withstand the economic marginality and the tough "everyday life" of running a small and micro-sized rural tourism business, one needs to have a special sort of drive and a pro-active attitude, which ultimately will have a major say in whether you "survive" in the long term or not. Many of the businesses in the Norwegian case have thus grown out of a hobby or a personal interest. In this case, a number of the owners of the businesses have also argued that it important not to make one's business "too commercial" or work too much, since this might lead to one becoming worn out and losing one's drive: "Yes, it's a bit like that when you own/run what you might call a business based on a hobby, right, so at the beginning you have it as a hobby, it's not just idealistic because of course you live off it. So sometimes you can feel a bit like, 'Are you losing the important part of it, that this is my inner experience in that you are always taking groups around with you and are you destroying some of your own joy and experiencing of it?' It's quite a balancing act. It becomes a ***way of life***. And this can somewhat adversely affect one's own leisure pursuits and sense of involvement. But of course we've said to one another, 'Do we want to change?' 'No'. (…) It's also important that it doesn't happen too often because then you can lose your passion for it and that would destroy the whole product" (Gry). Thus, part of the reason for failure in the Chilean case can be understood in light of the fact that many of the owner-managers lack the drive to develop a business out of a hobby or an interest, and lack the drive to work with tourism as such. The main objective was to seek out an alternative income; when tourism did not emerge to be as profitable as they had envisioned, they dropped it: "And he said that he didn't want to participate anymore. He didn't like it because it was just about him wasting time in meetings, etc. And that this wasn't for him, he was a working man, etc. But I got to thinking, if that's the case, why did he join the project in the first place, just to get the money?" (Claudia N., speaking of one of the owner-managers who is still not "in business"). However, devotion is not the sole reason for the high failure rate in the Chilean case. A major issue is also that of knowledge, both tacit and codified. One of the main differences between the Norwegian and Chilean cases, we observed, is that the Chilean owner-managers lack essential knowledge about running a small (tourism) business and attending to customers implies, etc. This was especially pronounced among the older owner-managers. Furthermore, we also argued that the Chilean owner-managers lack knowledge to maintain and develop central aspects of their tourism product, since basic codified knowledge that relates to their ancestral culture has been lost, such as how to build a traditional ruka. We shall return to this, especially in chapter 11. Furthermore, we have also argued that to survive and develop as a small or micro-sized rural business, one needs to acquire a number of technocratic skill, related to the administrative multi-tasking that operating such a business demands. We have

thus also argued that if one can hardly read or write, there is little chance of acquiring such skills, and the opportunity to manage to develop one's business is thus also restricted. Towards the end of the chapter we argued that female owner-managers might need extra backing and support, since they tend to not regard their businesses as "real" businesses, and are less self-confident and more cautious about taking risks than their male counterparts. Finally, we have also argued that there is a tendency in the empirical material that operating a small-scale business in a rural location might in some respect be easier as an immigrant due to a number of more culturally related issues which might hamper a more pro-active attitude. One the other hand one could argue, it is difficult to measure whether these observations are actually related to being an immigrant entrepreneur or just on a more general basis related to personality of the studied persons. Furthermore, although being an immigrant might be advantageous in terms of unfamiliarity with cultural manifestations such as the Bygdedyr and *Jantelov*[143] often described as central characteristics of the Norwegian countryside, it might be disadvantageous in terms of not having any family close by to help out e.g. during the peak season.

[143] The Law of Jante. An expression formulated by A. Sandemose in the novel 'En flyktning krysser sitt spor', after the little town *Jante*, where the main character grows up. It is denoting people's narrow-minded, tyrannical pressuring of the individual.

Chapter 10: You and the others: the supportive environment

"We took part in a presentation of Norwegian farm food when it was launched, and as a part of the Norwegian farm food idea we were one of the producers that was held up as an example so we could demonstrate that it was a good idea. So it's fun in a way, but what irritates me is that we're just pretty, glossy pictures, fine representatives to have, but getting help when we really need it is difficult."

(Hanne)

In the previous chapter we looked at a number of what we have termed the more personal issues and constraints that affect the survival or performance of the studied businesses positively or negatively, and thus their role as catalysts for rural development. In this chapter we will look into a number of other challenges that the owner-managers have reported in terms of other constraints related to the supportive business environment. Lerner and Haber (2000) argues that although many of the environmental factors cited as essential for entrepreneurs in general are relevant to tourism entrepreneurs, their impact on performance in the tourism industry is still awaiting to be studied empirically. In this context Dahles (1999) argues that it is important to recognize that the neither the small-scale tourism entrepreneur nor their activities exist in a vacuum. Lordkipanidze et al. (2005) even argue that the most important operational factor for entrepreneurs, including those in tourism, is "the enabling environment that provides comfort and support to the entrepreneur" (p. 789). Morrison et. al (1999) state that the entrepreneurs to significant extent are products of their society, and Morrison (2006) argues that understanding of the entrepreneurial process, as it interplays with family business, is best served by reference to the cultural, industry setting and organisational context within which entrepreneurs are embedded. Another often used concept to describe environmental factors which might affect the performance of entrepreneurs or entrepreneurial behavior is "entrepreneurial culture" (see e.g. Timmons 1994 or Lordkipanidze et al. 2005). Some of the issues related to the supportive environment or entrepreneurial culture have already been dealt with in chapter 7 and 8, such as the availability of capital, the accessibility of customers or new markets, barriers in terms of the efforts by local public tourist offices and the availability of reasonable priced labour. Thus, in this chapter we will look into a number of other reported challenges: Section 10.1 deals with reported challenges in relation to public institutions and

policies; section 10.2 looks more into detail at how the perceived lack of backing from the local authorities affects the owner-managers and their business performance; section 10.3 analyzes the existence and functioning of networks and business cooperation at the local level; section 10.4 looks into the relationship between the businesses and the local inhabitants and community, and finally section 10.5 sums up the findings in the chapter.

10.1 Public institutions and policies

The government may play an important role in creating, enforcing and stimulating a good and sound environment for entrepreneurship and firm development and growth. Dogan (1989) for instance argues that as a minimum the state must cooperate with touristic development. Government policies towards entrepreneurs might be reflected through the accessibility of government loans, investment funds and assistance and incubator programmes and infrastructure developments. However, state intervention and policies vary from one country to another and are related to social, political, economic, cultural and environmental constraints and priorities in each country (see e.g. Lordkipanidze et al. 2005, Lerner and Haber 2000). Thus, in the following section we look in more detail into the main challenges that the owner-managers report in terms of public policies and institutions.

10.1.1 The national and regional level: periphery or daily hassle?

Clearly, the type of contact and relationship with the public authorities differ substantially between the two cases. In the Norwegian case, the type of business operated, or the tourist product, in a way determines whether the national and regional authorities are perceived as peripheral or highly present in one's daily life, and also whether the relationship is perceived as mainly positive or negative. For instance, Per and Gry who run an experiences-based enterprise argue that the national, and also partly the regional authorities, are peripheral to them in terms of their everyday business life: "To us they seem rather distant, they are peripheral and you might say that Innovation Norway is also peripheral apart from funding" (Per). Gry argues though that the county council is peripheral, but that they have good contact with the regional office of Innovation Norway: "But on the other hand we have very good communication with Innovation Norway on a county level. We have good support, first and foremost in the form of funding, but also the feeling that we get invited to a number of presentations, seminars which are tourist-based." Owner-managers who work with animals and food production as parts of their tourist products, on the other side, argue that there are several country-specific rules and regulations which highly complicate both their everyday lives and

their businesses' profitability and development. Most of these challenges have nothing or little to do with tourism policies, but are more generally related to animal breeding and food production. Thus Hanne and Theodora in particular, who have most experience of operating tourism-based summer pastures, tell us about the constant struggle with the authorities and especially the Norwegian Food Safety Authority: "You have to fight quite a bit with the authorities when you run something like this" (Theodora). Hanne explains that the Norwegian regulatory system is very rigid and strict with a number of special rules about in-house, small-scale farm production, which hamper the operation of an economically sound business: "The legislation we have currently is rather rigid. Like we've worked a lot with Norsk Gardsost, both in relation to the Norwegian Food Safety Authority and in other contexts. Quite a lot is happening on that front in terms of the future, so I hope it will be easier for people to start up this kind of activity (...) Norway has a number of special rules. For example, you are not allowed to sell milk direct from the cow, you're not allowed to sell it to the tourists as an example (...) that's a special rule which stems from the time there was tuberculosis, that the milk should be boiled." The strict regulatory environment also affects the owner-managers in more emotional ways, in the sense that they feel that the authorities want to "do them in"; and we could observe that the daily hassle ends up leading to the more general wear and tear of operating a small-scale tourism business as argued in chapter 8. Theodora recountes: "I feel they try to put a spanner in the works, I feel it's like we (…) because of the way we run things the way we do, that it's primitive and so the food isn't pure. That's the way you feel and they inspect us thoroughly each year and there are always new things they want you to do. It comes to a point when you're a bit fed up. Sick of it. Because you feel that (…) because like I say, 'when you're at a restaurant, are you just as industrious as you are when you're here?' But they didn't have time for that every year, they said. And then you feel like you're being hassled. And many places have been closed because of them. And if you don't do as they say, they won't grant you approval. Like I've also said to people: 'I'll run it for as long as I'm allowed to', but I never know what the authorities are going to decide." In the Chilean case, too, although to a much lesser extent since the majority of businesses have not yet been legally approved, we can see that the regulatory environment regarding food production has a negative resonance to it: "There were even complaints that making the tortillas in the ruka in Paucho was unhygienic" (Claudia N.).

However, Norwegian owner-managers who do not produce food are also affected by strict national regulations and laws; such regulations are often made on a general basis and may not take into consideration local differences. Lena, who runs a tourist cabin owned by the Norwegian Trekking

Association[144], recounts that the cabin is different from the majority of such cabins in that it is located close to a public road; to make the business profitable, Lena recounts that she has to adhere to the national regulations about administrating such cabins: "So like I said, it's a cabin for tourists and has rules. In fact, we're not allowed to take advance bookings at all (...) But since we're by the road, we have to take advance bookings or else we don't get guests." She recounts that last year they left a number of rooms vacant for passing trekkers according to the rules of the Norwegian Trekking Association; this made them lose a lot of clients and much needed income. This year, she argues, they will do it differently, even though it is against the rules: "Last year we had four, at least four rooms, every night which we never booked (and) 20-30 every weekend who were on the waiting list (...) So we let the rooms be empty in case a trekker turned up. They have first refusal and are supposed to get (…) but they didn't turn up. So we were just left twiddling our thumbs (...) So we're going to change that this year. One room. And no one needs to know about it. We can say we had four, five rooms vacant."

In the Chilean case, the government and state apparatus are either very peripheral to the everyday life of the tourism business operators, or they are very "present" in the form of a number of NGOs, such as Impulsa, that often operate as intermediaries between the government and the local inhabitants and which are responsible for coordinating and implementing social and economic development policies and programmes at the local level (see section 10.3.2.5). The owner-managers report that to obtain support or help for their businesses, they normally either have to apply for a project locally through one of the NGOs, or "knock on doors" at the different regional governmental institutions such as CONADI or Sernatur. Claudia N. argues that her primary role as a leader of the local tourism organization is "lobbying", or as she puts it: "I have to knock on doors." Thus, we can see that in the Chilean case the contact with the supportive institutions in general is very personal, for instance they always refer to "el intendente"[145] when they talk about the county council: "Now at least *el intendente* has been appointed, so a tourism development plan will be made" (Claudia N.).

This personal contact and lobbying has thus to be seen in light of the highly authoritarian, centralized, hierarchical and top-down power structure that is a salient character of Chilean society

[144] The Norwegian Trekking Association: http://www.turistforeningen.no/english/, last accessed 3. March 2007.

[145] "El intendente", the government official who heads an office in a given region in Chile. Is directly appointed by the President.

and culture. We could argue that throughout its history as a nation state, Chile has had an authoritarian and a democratic tradition running in parallel (see e.g. Walker 1997, Hojman 1993). The authoritarian tradition can be traced back to the colonial period and to the authoritarian governments in the first years after independence, and especially "the autocratic republic" of Domingo Portales.[146] The most central character of the Portalian state was that it concentrated authority within the national government or, more precisely, *in the hands of the president*, who at that time was elected by a tiny minority; although Congress had significant budgetary powers, it was overshadowed by the president, who also appointed provincial officials. The "Portalian State" was institutionalized by the 1833 Constitution, its basic principles remained in place in the Constitution of 1925 and, naturally, they were strengthened under the military government of Augusto Pinochet (1973-1989), thus making the Constitution one of the most durable charters ever devised in Latin America. The "autocratic republic" is still strongly present in Chile in the sense that executive authority is vested in the President who has extensive powers and still appoints for example Cabinet members and *regional authorities* (no Senate approval is required) (Chilean Government 2006a, emphasis added), and both the intendant and the provincial gubernators are directly appointed by the president (Gobierno de Chile 2006b, d). To obtain the support of the intendant for your project is thus essential as it both involves economic supportive opportunities and wide open doors directly to the corridors of power.

However, normally the NGO(s) financing a project also do(es) the lobbying and mediation with the supportive institutions, and in Lago Budi the individuals' contact by the owner-managers themselves with the state institutions has so far been of either a financial (CONADI) or a marketing (Sernatur) nature. Experiences expressed of Conadi are in general positive, apart from some complaints, as also observed in section 9.4.6 with reference to the local NGOs and government programmes, about the short term development perspective: "Because Conadi helps you with the implementation, the technical part and similar, but when the installations are finished, they up and leave and work other places. That's what Conadi do.". When it comes to Sernatur, experiences are generally perceived as negative as argued in section 7.4.4, where the owner-managers for instance report that the employees do not hand out their brochures to the tourists. According to the leader of

[146] Portales was appointed to a number of cabinet posts under General Joaquin Prieto's administration, and although he was never president, Portales dominated Chilean politics from within the cabinet and behind the scenes from 1830 to 1837. Joaqiun Prieto was Chile's second president (from 1831). He came to power after a period of power struggles between 1823 and 1830, and after Bernardo O'Higgins, who ruled the country with dictatorial powers between 1818 and 1823.

the local tourism organization, Claudia N., this is related to the fact that the employees of Chilean governmental institutions in most cases act according to their own interests and not according to the policies of the institution as such: ”For example one of the members of staff might have a sister-in-law or suchlike who has a bed-and-breakfast in Villa Rica, and the member of staff prefers to send the tourists there. There are people like that everywhere.” Related to the authoritarian and hierarchical power structure is also thus the fact that the Chilean public (and private) environment seems to be pervaded by an extensive culture of “comradeship”, where power and influence depends on factors like one’s surname, family background, whom you know and social status (Nordbø 1998). In a national survey conducted by the Centre for Public Studies in 2005, 76 % of the population still believe that the public services in Chile are highly corrupt (Centro de Estudios Públicos 2005)[147], and in a worldwide study, Chile appears as a country where the level of trust in secular institutions, apart from the churches, is extremely low (Lehmann 2002).

10.1.2 Processes of exclusion and inclusion

Although Hanne, who runs a summer pasture, claims that today’s conditions for operating a small-scale farm based tourism business are better compared to when they started up in the mid 1980s, she tells of a contemporary Norwegian agricultural environment which is still highly conservative and exclusive in terms of small-scale operators: ”At all meetings, professional meetings and suchlike, we’re not (…) for example Tine meetings, dairy meetings, we’re not a supplier to the dairy cooperative, we process all our stuff ourselves. So we don’t have the same rights, we’re not included in the professional environment there. Even though we need a professional environment around us, we need to exchange experiences and suchlike. As far as the sheep are concerned, we don’t have traditional ones, we have two other breeds and that’s means we’re a bit sidelined. And when something’s wrong, they say, ’Oh, it’s a Heimdalen sheep’, or something like that. That’s just the way it is. You’re outside the milieu in a way.” However, the Norwegian agricultural environment is not only exclusive in terms of small-scale producers, but also it seems to a certain extend in terms of women: “I was even asked to deal with cases for BU, what’s now known as Innovation Norway, the department in Telemark, be a agricultural representative, but as a woman I would have no voting rights. So I said: ’No thanks, I’m not interested if I can’t be part of the decision-making process.’ ’Oh, why not?’ ’Listen, you can just do it yourselves.’ I didn’t want to

[147] 26% believe that corruption is moderate, while 50% believe that corruption is extensive and that it includes all or almost all employees.

travel down to Skien once a month to deal with cases and not have the right to vote. This was more a woman's perspective, they were supposed to have a woman on the board due to positive discrimination. This was the ultimate in cheek, I thought."

Also in the Chilean case the owner-managers report about a number of challenges and constraints related to their exclusion from central institutions and decision-making processes at both the national, regional and even local level, which is related to their cultural and historical heritage. Within the majority of public institutions and agencies, like Sernatur, the indigenous population has no major participation, and if we for instance look at the different state and private institutions that were interviewed for this dissertation, all of the people in charge, apart from the local advisor from Impulsa, have surnames which indicate a Western or European origin (Raby, Fernández, Brandt, Hess-Kessler).[148] Patara (2000) argues that the exclusion of the indigenous population from central decision-making processes in Chile is a major challenge and argues that the control the indigenous population might exercise over a project is limited since: "our traditional rights, the authorizations, permissions, commercial permissions, depend on state organisms which have a cosmovision different from the interests of our populations"[149] (p. 53).

Furthermore, powerful business elites and private enterprises exert influence over and control the tourism market also through extensive lobbying: "those who control the market are commercial businesses and monopolies which in some form influence in the big forums where the decisions are taken and where the indigenous participation is zero"[150] (ibid.). Patara thus argues that the business elites and influential companies normally manage to obtain legal permits and authorizations from different public bodies and that the institutions often jeopardize laws and regulations in order to favourize such firms (ibid.). Claudia L. argues that this kind of corruption is extensive even within the public institutions created to protect and promote the rights of the indigenous population in Chile. In the case of Conadi she argues that it "is of course a governmental institution and does not belong to the Mapuche, so..." She is herewith referring to the fact that in many cases the indigenous population feels that these institutions and agencies are create as an alibi for the Government's

[148] The same observation can be made of the current Chilean Government, where there are no indigenous surnames (see e.g. http://www.chileangovernment.cl/index.php?option=com_content&task=view&id=725&Itemid=56), last accessed 22. March 2007.

[149] "nuestros derechos tradicionales, las autorizaciones, permisos, patentes comerciales, depende de organisamos de estado que tienen una cosmovisión distinta a los intereses de nuestro pueblos"

[150] "los que manejan el mercado son empresas comerciales y monopolios que de alguna forma influyen en los grandes foros donde se toman las decisiones y en donde la participación indígena es nula"

involvement in the development of their indigenous population, but that in practical terms things are still the same.

The way in which the owner-managers as indigenous people thus exert influence is by being in a type of constant political opposition, implementing what we might call a number of "war strategies", e.g. constant confrontations, strategies and strikes. Susanna who works with the German Gar NGO in Lago Budi reports a highly complex local reality: "The political processes bring us to a halt sometimes. Because parallel to our work in the field, a political controversy is created with *el intendente*, local advisors, etc. So suddenly everything comes to a standstill, because they don't want to speak to *el intendente* anymore or the public services and then the dialogue ceases for a while. It's a very political process, because in our forum we want to allow space for understanding, dialogue (...) also in terms of the public offers, what the Mapuche culture is like, etc. because many people who work here (in Temuco, the regional capital) don't know about this. Lago Budi is an hour away from here (...) So this is an outline of the very complex world in which we work." As the research proceeded, understanding this complex reality and what it might imply in terms of the owner-managers possibilities of operating sound businesses became evident.

However, although both the small-scale farm-based tourism operators in the Norwegian and Chilean cases lack influence and decision-making power in some forums, they are always called upon when the national, regional or local institutions need them for marketing purposes or as examples of good practice: "We the members of Heimdalen Gardsbruk have also represented Telemark and Tinn at large gatherings about both the animal and food culture side of things. So that's nice. We took part in a presentation of Norwegian farm food when it was launched, and as a part of the Norwegian farm food idea we were one of the producers that was held up as an example, so we could demonstrate that it was a good idea. So it's fun in a way, but what irritates me is that we're just pretty, glossy pictures, fine representatives to have, but getting help when we need it is difficult. And now I'm so old and wise that I dare to say what I really think" (Hanne). In the Chilean case, the tendency to use the indigenous peoples and especially the women thereof as marketing icons is very extensive: "And if the media, the newspapers, tv, etc, need us for a reportage or so we can be in the news they come and visit us constantly (...) they show it as 'the Mapuche way'" (Paula). Claudia N. adds: "We are even on calendars." They are thus used extensively, for example by Sernatur, in the branding of Chile on international markets; at a more regional level, the female owner-managers are often invited when *el intendente*, a governmental or

other public institution wants to appear politically correct or demonstrate their efforts in terms of the "indigenous matter". It is thus normal to see a number of the female owner-managers in their traditional clothing at various banquets, seminars or meetings, etc., where they often seem to become pawns in a game they do not always understand.

10.1.3 Bureaucracy and inefficiency: an omnipresent phenomena?

The owner-managers at both case destinations report that their business development is affected and in some situations even hindered by what is perceived to be an extensive bureaucracy and inefficiency within the national, regional and local authorities. As also argued in section 9.4.6, operating a small-scale tourism business both in Norway and Chile implies a lot of paperwork, or as one of Norwegian owner-managers put it, "a bloody bureaucratic paperchase". In the Chilean case, most of the businesses have not yet been legally established, but those who have been report a vast array of permits that are required to operate legally: "We also try to adhere to the rules which are required by the national level. You have to have an environmental hygiene permit, a permit for changing the way the property is used, a permit to serve food, etc. And we try to make sure we adhere to all these rules and have the permits which they require us to have" (Miguel). Christina Brandt at INDAP, who over the years has worked with a lot of small and micro-sized Chilean rural tourism businesses, argues that the public institutions are highly bureaucratic, uncoordinated and that requirements and legislation often vary from one municipality to another: "The whole bureaucratic process, paperwork, a load of permits (…) There's a whole chain of things that has to be arranged and this depends greatly on the municipality and the public services, because there are some people who demand more than others. They are all different."

While a number of the tourism businesses in the Norwegian case express very positive experiences with the agricultural section of the local authorities which for example has helped them develop applications for financial support to Innovation Norway, others have more negative experiences, and not surprisingly, as argued elsewhere, the negative experiences relate to the technical department which is in charge *inter alia* of planning permission: "Perhaps the worst experience or at least the most disappointing experience is Tinn municipality. The municipality with its technical department and all its other departments and the people who work there (…) I don't know what kind of ideas they have about the development of Tinn municipality. Many things went wrong and were difficult to fix when the restaurant was being built, we spent a lot of money fixing the things Tinn municipality wanted fixed, but that wasn't the worst thing, the worst thing was that we didn't

get all their comments at once. So we had already started, and then another paragraph turned up, and another one" (Elizabeth). Also in the Chilean case, the bureaucracy and inefficiency at local-authority level was perceived as a challenge: "I'd gone and handed it in, presented a lot of things, but when you go and ask, it's like it's all disappeared. Because there's a 'ghostly hand' working underneath, it seems to me. And that pains you, because I've got a copy of the document and I handed it in, on this and this date, but where's it gone? 'Sorry', they say, looking, but in the end you have to hand it in and do all the work again. This municipality is sleazy, there are people who don't want the Mapuche to improve their situation" (Claudia N.). The degree of bureaucracy at the local level in Chile is quite extensive. For example, in order for the researcher to get hold of the local tourism plan, a written application had to be handed in in which one has to describe who one is and the purpose of the request. Afterwards, one must hand the application over to the person in charge of local tourism development who is, however, not authorized to give permission and thus has to hand the application over to a higher-ranking official, etc. etc. In the end it might thus take weeks for an answer to the request.

10.2 The local authorities: lack of backing

However, the owner-managers are not only concerned about the bureaucracy and inefficiency of the local authority, but also about the political level; they argue that the lack of attention to and backing of small-scale entrepreneurs both within the more general economic development of the municipality, and specifically within tourism, might hamper not only the development of their businesses but also the development of the community and municipality as such.

10.2.1 Norway: big business or small business? Both, please!

Whereas in the section above we could see that the Norwegian owner-managers expressed different opinions regarding the local authority, concerning the political level, there is unanimity. Of major concern, as argued, is what the Norwegian owner-managers feel is the total absence of small-scale entrepreneurs (within tourism and other fields) from the political agenda and the economic development policies of the local authorities. This concern manifests itself in various ways, for example in what they perceive is a one-sided focus on Norsk Hydro and its long overdue obligation

to the community of Rjukan[151]: “The people involved in politics, many of them are still very concerned that everything Tinn municipality or Rjukan has to come from Hydro” (Elizabeth). Elizabeth thus expresses that she fears that this focus might undermine the opportunities for local entrepreneurs: ”I also fear somewhat for the future. There are many entrepreneurs here in Rjukan who do a really good job. They try and develop and so it’s (…) frustrating that you don’t get any kind of backing from the ones who ought to help you at Tinn municipality.” Elizabeth argues that she personally does not believe that Norsk Hydro will respond and that the local politicians need to be more independent and plan other economic strategies: “I don’t believe in it. It doesn’t matter whether I believe in it or not, but when someone is responsible for the future, in my view they then have to work with both possibilities. You can’t just wait to see what happens with Norsk Hydro (...) they have to begin a new plan. You have to think about the future for yourself, decide for yourself. Getting new possibilities underway.” Hanne expresses the same concern and argues that she has prioritized getting involved in local politics to make a difference: ”For small self-employed peoples’ businesses and small businesses, they have to allow space for them as well now. Ok, so Hydro is Hydro, but the age of Hydro is past. Nowadays not just big businesses should be supported. They must let creativity flourish so that small businesses can also make their mark. That’s what I work for in terms of business.” Per is also concerned with the one-sided political focus on Hydro and thinks that the local politicians lack vision and innovation and that this damages the image of the municipality and that it both hampers the attractiveness of the municipality both in terms of tourists and new inhabitants, existing and new businesses: “That the mayor appears primetime on TV2 and points with his nicotine-stained finger, saying we have an agreement with Norsk Hydro from 1988 here, it makes it not very cool to live here. When the main item shows people on zimmerframes and in electric wheelchairs, it’s not very cool.”

As argued in section 3.2.2, tourism is at the core of the local authorities in Tinn in terms of future economic development; indeed, it is often described as the industry which is to replace Norsk Hydro. However, many of the owner-managers express that they are really concerned and frustrated about the overall tourism policy of the local politicians and authorities, since they perceive that the focus is too one-sided, focusing only on the development of the alpine area of Gaustablikk and involving an admiration for big external investors instead of supporting existing businesses: “I feel

[151] See section 3.2.2 for a description of the role of Norsk Hydro in the community of Tinn. There is currently an ongoing debate between the municipality of Tinn and Norsk Hydro regarding whether Hydro is obliged to contribute to maintain 350 local jobs.

that the Gaustablikk area, which is an important area, gets an awful lot of attention all the time. Whilst we others who are more on the edges are perhaps more often forgotten. And of course it's incredibly splendid when a well known person comes, just look at Buchard and Flatland and the way they get what they want (...) You feel that there's a bit more focus on the bigwigs who come from outside the area, instead of supporting what's already here a bit more" (Theodora). Hanne also expresses the same concern; she feels that the local politicians who travel to destinations, e.g. in Austria, to look at how they develop their alpine areas are forgetting that conditions are quite different in Norway generally and at the local level specifically: "Going on a study-trip, I would recommend as I've mentioned, that people should travel a bit more in Norway and see what's going on. Because there are a lot of things abroad which we can't transfer to Norway. It's all very well when we're on holiday abroad and see what you can do there, but in fact they have different legislation to relate to."

10.2.2 Chile: tourism development. Where, why and how?

In the Chilean case there is also great concern about the lack of backing from the local political authorities. The concern is related directly to the mayor, who is himself a Mapuche-Lafkenche, and implies that the owner-managers have high hopes related to the backing and support of their businesses. However, the reality has so far not matched expectations: "Even our own mayor doesn't support us that much. Because he promised us to decorate some signs, and since November we've been knocking on his door, and still the signs haven't appeared" (Claudia N.). Santiago Fernandez who works at Sernatur's regional office argues that generally speaking in Chile it is difficult to get the local authorities to be actively involved in local tourism development; local tourism in most cases consist of private initiatives financed by NGOs or various institutions such as Fosis, Conadi, Indap, etc. He argues that they work actively to try to get the local authorities to devote more efforts to tourism development in their community, because without such involvement, the private initiatives have little future: "Unless the municipality plays a bigger main role in the development of tourism, the businesses won't have much of a future. Because especially within tourism, as far as rubbish collection, road repairs, stuff like that is concerned, it's difficult to make any progress unless the municipal administration is involved. That's why one has to support the municipality, get the administration to play a greater main role in development." Unlike in Tinn, in Pto. Saavedra no "tourism manager" exists: "Well, up to now I've been responsible for the field of tourism, but as I've told you it's mostly based on the information bit of it, collecting information to spread it (...) but we don't have a special head of tourism" (Nelda, responsible for tourism at the municipality of

Pt. Saavedra). She goes on and recounts that they last year developed a local tourism plan, but that it is quite ”basic” and deals mostly with spreading information: ”Some things got done, like for example spreading information about tourism, what’s on offer, the handicrafts sold here, and the activities offered during the season (...) But it is a very superficial plan, rather overarching. A brain-storming session was held. But many ideas are not the skills of the municipality, and must be coordinated with other institutions.” Thus, when asked what she thinks is the responsibility of the local authorities, she answers: ”People should contact the municipality and seek possibilities ‘knock on doors’ (...) I regard the municipality as first and foremost a way of channelling funds (...) because there are few resources. The budget is small, and this year it’s been reduced a lot in terms of tourism. The money to spread a bit of information is available, but not to support the projects or develop a tourism development plan. There are no other things apart from dissemination.” Clearly, the limited budgets and resources are a major challenge for the local authorities. They have no resources to help in the development of marketing material, nor to have a tourist office employee, as argued in section 7.4.4.

10.3 Local networks and business cooperation

Hjalager (2002) argues that there is little mutual trust between enterprises in tourism, and that they often regard each other as competitors, not colleagues. She argues that not even the fact that many destinations depend heavily on tourism, and that the businesses could not survive without each other’s presence, as is the case with many of the businesses in Tinn, seems to cap jealousies. Much of the lack of cooperation is probably related to the marginality under which many of the businesses operate and to free-riding. Collaboration is, thus, in most cases a result of the mediation of other organizations, such as tourist offices, as in Tinn’s case as argued in section 7.4.4. This situation thus offsets the transfer of knowledge between the individual businesses. In the following we will thus look into the cooperation between the local businesses in the two cases, and what may be hampering collaboration.

10.3.1 Norway: lack of networks and formal coordination of activities

In the Norwegian case, mediation takes place via the local tourist office. There is no established business network or organization apart from Visit Rjukan, whose main function is joint marketing. Free-riding has been a common problem, and the local tourist office has lately begun to exclude the free-riders from the marketing campaigns.

Most of the owner-managers highlight that they feel that one of Tinn's strongest elements as a tourist destination is the diversity of tourism-related activities and experiences: "There's a bit of everything here, and that must be positive" (Heidi) and "Yup, I think it seems really rather good, I do. Absolutely (...) With the cabins being built and the Gaustabanen and Krossobanen, we all have a reciprocal effect on each other in a way. And I think that's really great. Dakkeset which has just got going and (…) everything is really positive, so I'm very happy about that" (Lise Lotte). In general, most of the owner-managers express that they do not perceive each other as competitors, but more like supplements since they all have their specialities: "No, I think it's really great. Because we've now become a part of a small neighbourhood up there, we're right in the middle of things like goat pastures and when they ask for sour cream made from cow's milk and butter I send them either hither or thither, so I think it's great. And when they ask for products made of goat's milk, they send them to us. So we think it's just perfect. We don't compete with one another at all. It's just supplementary" (Hanne). Asked whether she cooperates with other tourism businesses, Theodora says: "Not really, but with us who work with tourists (…) when the tourists ask, we tell them about other places of course." Thus, we can see that existing cooperation basically consists of sending tourists to each other, and only a couple of the newer businesses have established more formal cooperation. However, several of the owner-managers highlight that to really develop Tinn as a tourist destination, more cooperation between the businesses is needed: "So I think and believe that the community of Tinn has a lot to offer in the time ahead, but they mustn't be so afraid of telling each other their ideas. They think that their neighbour will steal their idea straight after you've mentioned it. But if a number of you can work together, and not have a king-of-the-castle attitude, things would have come a lot further in Tinn municipality, in my opinion" (Hanne). Leif also points to the same necessity for further cooperation: "Because we've got an enormous potential, there is a really great opportunity for us to develop tourism in Tinn. But we have to cooperate, because then the products will be really good. That's important in fact (...) I truly believe that we can get people to stay a bit longer in Tinn, so it's not just a staging post between east and west, in a way. Because there's just so much truly fabulous here."

However, the owner-managers argue that it is not only the operating tourism businesses that need to cooperate, but that local tourism-related industry as a whole and the supportive environment as such must start to think differently. Elizabeth for instance highlights that she finds it is really frustrating that the local swimming amenity, "Rjukanbadet", which has become a key tourist attraction, closes for maintenance three weeks during the peak season. Hanne argues that she thinks that more local

products should be used, for example by hotels: “I would say that in terms of food, I think the hotels in Tinn have been very bad at using local food at their hotels. I think the price is too high, and when they realize they can’t pressure us on price, they’re not interested. And I think that’s really unfortunate. Of course they’re running a business, but then so are we.” She cites a lack of pride in local products and argues that local products could and should be used in the marketing and branding of Tinn, even regionally as has been done in other parts of the country: ”I think it’s a real shame that more pride isn’t taken in local products. A focus on that, like they’ve done in Valdres and regions like that.” Furthermore, some of the owner-managers highlight that it is important to cooperate not only locally, but also regionally to get tourists to spend more time in the area: ”The last head of tourism was very interested in regional thinking, but then you have to have consistency throughout all the parts, you then have to cooperate in a completely different way if you’re going to think regionally. That the industrial workers’ museum must cooperate with other ones and not just with itself, I don’t know if they do, but it’s very important that (…) they’ve got some potential, they get 30,000-40,000 visitors, so we could manage to keep the tourists for a bit longer in our region” (Leif).

10.3.2 Chile: The challenges and constraints of a local tourism organization

”As an organization, I would like to see people understanding that we’re all working for the same cause, that we’re all striving towards the future and share a dream, so that one day we can say, ’It cost us a lot of sweat, but thanks, we improved the situation, and what we now have we achieved through hard work.”

(Claudia N., leader of the local tourism organization)

”Well, you know that people do not fulfil their obligations and in the end we ended up as leaders, and here we are ’firm’. I might cry, my friend also. But here we are, I say to her, ’Get up and keep at it, do not fall (...) do not cry’, and she says the same to me.”

(Claudia L., treasurer of the local tourism organization)

In contrast to the Norwegian case, in Chile there is, as argued in section 3.1.2.2, a local tourism organization, Llilko leufu Budi, and today to initiate a tourism business in the area, one first has to be a member of this organization. Originally, the business owners were organized as a network, and

this was later transformed into an organization. According to Claudia N., who as argued is the leader of the organization, one of the organizations prime tasks is to seek financial opportunities and resources for the members. Throughout its years of operation the organization has run into a number of constraints and challenges: "There's a lot of arguing within the organization, yes. (...) Due to people who don't participate, sometimes because of money, I did more, less (...) but that's typical of every organization. There's always arguing, jealousy (...) always. But as a leader, of course you get furious. Sometimes I think, 'Damn it! I'm not doing any more work here (...) I never want to see that person again.' That has happened to me" (Claudia L., treasurer). Although the organization has existed for three years, when this study was conducted it still seemed rather inexperienced: "We've carried out two activities at an organizational level, because before we didn't dare to. Because we hardly knew each other at all and reaching agreement has a price. But now we've come so far that we do dare to do some things, to bring resources together" (Claudia N., leader). In the following, we will look into three main challenges that the owner-managers have experienced in relation to this joint cooperation.

10.3.2.1 Perceived situation: supplement, jealousy or sound competition?

As argued by Hjalager (2002), jealousy is a common feeling among local tourism operators; the more marginal the situation, the more pronounced the jealousy seems to become. Claudia L., treasurer of the organization, would argue that they cooperate closely: "We are organization, and when someone rings me up – my number is on the marketing information – when they ring they come here. And there's another person in Llagepulli and Claudia N. There are three of us with our numbers on the information, so they ring one of us, sometimes me and ask what "products" we can offer. I send them to Claudia N. and then ring Maria straightaway to tell her how many are coming, etc. Or I ring Llaguepulli, so that's how we communicate quickly. I ring and ask, 'Can you give them food? There are two or three people coming, etc.' That's how we coordinate it." Miguel argues that it is important for the area as such to have a diversified product range and that he tries not to compete with the other businesses. He argues that for him personally, it is important that as many local people as possible get involved with tourism: "I think there have to be different products in the different areas. So if they ask me about handicrafts, I tell them they can find them on the road to Pto. Saavedra or Pto. Dominguez. So we can ensure people along Budi also take part more. Having different types of things on offer is good because we can direct the tourists to different areas and they then get better acquainted with that area. If we'd had handicrafts, there would have been competition and the others wouldn't have got to sell that much, and our idea was to have people

participating, so the other groups could also take part in this. Why? For me personally, I've been interested in getting people to get involved in the area of tourism." Thus, although we can see that some of the owner-managers are interested in involving the other owner-managers and the community as such, yet others report that there is much jealousy between the owner-managers and that they never receive any tourists that have been directed to them by the other businesses: "People are also envious of one another. They never recommend other people's initiatives to the tourists. That's not good. There was a German woman who turned up here. She saw a poster with a phone number which my sister had hung up and came directly here. Some Frenchmen also arrived. They stayed three nights. But people don't come here because others in the area have recommended it." (Javier). Paula also recounts that unfortunately quite a lot of internal jealousy and competition exist between the organization's members, and even between the leaders. Sergio argues, however, that some internal jealousy is only sound: "Each man lives his own life and does as he pleases. Before the tour used to end at Puerto Saveedra, but now there's a bit more here. If there is any envy here, that's only healthy. There is a bit of competition, that's normal everywhere. Everyone competes."

10.3.2.2 My money, your dance!

Hand me the money!

Claudia N., leader of the local tourism organization, argues that when they do joint activities the money they earn goes to the organization; afterwards, some of the money is handed out to those who have participated: "When we arrange special activities and suchlike all of it goes to the organization. We contribute all the resources and we have a fund for the organization. But afterwards we hand out a little to all the people who have taken part. The money in the fund comes in handy when we're going to have meetings, etc." Thus, one of the main organizational challenges perceived by the organization's leader is that many of the members are only interested in the money, not in cooperating collectively: "The only thing they were interested in was how much money we got from ticket sales. Because maybe I and the other ladies would try to sneak ourselves some money. But this is money for the organization. I am not interested in money, I've got my own business, if I sell one of my wares from the ruka then I've got my own money." Some time later the researcher attended the local tourist organization's monthly meeting; on the agenda was the subject of the event and how the money should be divided. The meeting started an hour-and-a-half late and six to seven people did not show up; when the discussion about dividing the money started, it ended in a quarrel with the leader getting really upset, putting her position up for election, and eventually

cancelling the meeting. The next day the leader explained what happened: "This is not the idea, because we were supposed to work, and then together agree how it should be done, but not in such a "accelerated" way. Talk about the subject thoroughly first and then if anything needed doing, do it but not in such a brutal way. So that's why not everyone is pleased with me. Like yesterday when my brother turned up and threw everything into chaos (...) The man who came last and said that he wanted to divide the money on an ongoing basis. So I said to him, not all the business partners are here, Liliana isn't here, nor are the people from up there, there were in total 6-7 people missing, so (...) all these people have to express their opinions and then based on the opinion of the majority do the things necessary. Because we can't do it like that, because everyone made a small contribution. Not just him but her as well, everyone made a small contribution to this activity and so everyone has to be present. And in the end I said, if there's such a great interest in the money, take it and share it (...) but they didn't want to do that either (…) Only a few people turned up and I cancelled the meeting. Pablo (red.: the local advisor from Impulsa) wasn't there either. And the few people that were there wanted to share the money from the activity, in a rush."

Lack of participation in cultural activities

However, the organization is not only plagued with disagreements about how to do the things. Another challenge is related to the owner-mangers' lack of willingness to put on their traditional clothing and participate in the joint activities, which would imply behaving in accordance with their ancestral culture. Claudia L., treasurer of the local tourism organization, recounts that they have in fact had to force some of the owner-managers to come to the joint activities dressed in their traditional garb: "When we have cultural activities they turn up in traditional clothing. Because we force them. Me and Claudia say, you're coming dressed up, ok. So in this respect we're glad they seem to be beginning to understand what we mean." Claudia N. argues that although the owner-managers are interested in becoming members of the organization, they do not want to participate in the activities: "But I don't know whether they're a bit slow, because when we have activities they seem like they don't care. How is it possible that they don't know how to blow on a *trutruka*[152], which is a wind instrument, just blow there, it doesn't take any more than that? And even less a jaw's harp. So it's embarrassing!" Javier argues that the lack of participation is related to the fact that some of the owner-managers feel too embarrassed to participate: "Not everybody dares to dance, they are embarrassed." He argues that this is related to a lack of cultural awareness and

[152] A traditional mapuche instrument.

education: “They lack a cultural awareness. The ones who aren’t trained are ashamed. The ones who have studied are more aware.” As leader of the local tourism organization, Claudia N. cannot understand why the members cannot make that extra effort: “And I say if we are involved, we have to make that extra effort, even though we might not want to either, That day, during the activity, ’Take off your trousers, it’s only for two or three hours’, it’s a ’sacrifice’, show yourselves as Mapuche. Afterwards, in the end, put the other stuff back on, it’s your problem,’ I say.” When the researcher asks whether such a lack of cooperation has been discussed at one of the meetings, Claudia N. tells, “Oh yes, we’ve tried to get people to air their views, and then some people say they don’t know how to do it, I say that if they don’t know how, they can learn. I couldn’t do it either. But thanks to the courses I have seen so many things, and in my head I’m not just on the courses to get a plate of food, get to know people, etc. I absorb it all, everything I see and what is there, even the dances, and just by watching, I’ve learnt. And afterwards you try to do it, do the steps, like a baby learning to walk. Your body may be rather heavy, but if you practice, it will be perfect in the end.”

Local authorities: conditional support

The third challenge reported with reference to the local tourism organization was that the organization had been granted conditional support for transportation that benefited only the owner-managers belonging to the municipality of Pto. Saavedra, not Pto. Dominguez. Pablo, the local advisor at Impulsa, argues that this conflict is mainly related to factors external to the organization, but that the owner-managers have not managed to grasp this. At the beginning, due to long distances and the lack of transportation, the owner-managers met in two different groups; when they started having joint meetings, perceived as necessary, the problems started: “They had different activities and big meetings, but they didn’t have enough money for transport and had to apply for some funding from the municipality, but the municipality only wanted to collect people from Pto. Saveedra, not the others. The others never left, they didn’t get any concrete support from their municipality. People started to argue amongst themselves, about their having to wait many hours for the others, but they didn’t grasp that it was the municipality that had caused this.” He argues that some of the members have accepted the situation, but others have not: ”Others say, ok, if the municipality wants to do it this way, we have to accept that, But not everyone will accept that.” In addition, due to this jealousy is fuelled.

10.3.2.3 When you're not happy with your coach

The organization has also encountered several problems with the local NGO, Impulsa, which has helped them develop the tourism project; the relationship with the current local leader has also been a source of controversy. The first problem relates to the lack of money and financial resources; the second relates to the construction of some of the buildings (houses, kiosks, rukas, etc.) in the project; the third concerns the process of developing some of the marketing material. At the time of writing, the relationship between the leader of the local tourism organization and the local Impulsa advisor was rather tense. In general, the challenge is that the leaders of the local tourism organization feel that the local advisor of Impulsa excludes the organization from important decision-making processes and behaves in a rather authoritarian and undemocratic way.

No more talk, give us money!

Most of the owner-managers in the Chilean case highlight that a lack of financial resources to maintain and develop the businesses and implement new ones, etc., was, as argued in section 7.3, a major issue. It also became clear that many of the owner-managers were rather unsatisfied with Impulsa and its local advisor since their perception was that not enough financial support was provided; it also took too long before the new businesses were able to initiate their activities: "We now have seven new members who have taken part in meetings and suchlike for two years and want to begin with tourism. They are registered with Conadi and are waiting for financing" (Claudia L.) Claudia N. argues that they are really sick of all the meetings: "I have said to him (red.: the local advisor of Impulsa) as leader a number of times, we don't want any more paper or meeting upon meeting, we want something concrete to work on." Mario, who is also present at the interview, chimes in accordingly with "resources, money!" Encouraged by this, Claudia N. thus continues: " Meetings, meetings, meetings (...) and nothing concrete. I've said it a number of times, and sometimes he gets angry and says that 'the Mapuche are awful beggars'. I say 'Yes, but we need to get this project going'. Of course we've been given a bit for the other ones, but we're still lacking resources to get our projects started." Regarding the local advisor, she thus concludes: "What interests him most is his salary." Thus, we can see that although the leader is frustrated with the other owner-managers due to their interest in money, she herself, as will be further elaborated in section 10.3.2.4, is also bound up by this discourse.

A view on culture

The second challenge related to Impulsa and its local advisor is the process during which the physical infrastructure was constructed. Claudia N. explains that Impulsa implemented three projects which were not in accordance with the desires of the local tourist organization: ”Later they did things behind our backs. They did three things contrary to the will of the organization.” Claudia N. is very concerned that since the project is called “Nature and Ancestral Culture in Lago Budi”, it is important that all aspects of the tourism product, and not the least the physical constructions, reflect this orientation. She explains that Impulsa has implemented constructions that are completely at odds with this orientation: ”For example a woman here in Piedra Alta (...) I’m always criticizing Pablo, our advisor, for granting permission to build a house which has nothing to do with our culture (...) My friend who has been in Chiloe says that it is a Chiloe model. It has nothing to do with the culture and here she sells traditional, typical Mapuche food. He’s made a mistake, that advisor. The house should at the least be round, something natural, the way a ruka was, even though the material might not be grass or straw, but the shape should be as it should. On Huapi there’s another man who offers food and accommodation and they made him a hut. In Llaguepulli they also have a hut which clashes with the culture, even though there’s a ruka by the side of it. But the hut ought at least to give ’a glimpse of the culture’.” However, a number of the other owner-managers have also experienced problems in relation to the “indigenous orientation” of their constructions. Liliana argues that she wanted a traditional ruka, and not a ”modern” ruka such as the one she has now:

Interviewer: ”Did you want to have a traditional ruka? What was your dream?”
Liliana: ”That was my dream, but I don’t think they’ll give me this ruka now. It will have to wait until next summer (...) Putting up a little ruka here.”

Claudia L., treasurer of the local organization, recounts the struggle undergone when implementing her project: ”My idea was that there should be a ruka with activities, and in the pre-study they did from Santiago, engineers and technicians, it emerged that the ruka would costs 30 million pesos. This is madness, I thought, a ruka for 30 million is out of the question. I fought and fought and fought. And afterwards they gave me this (red: pointing her finger to her ruka). It was like a bus-stop. I said to him, the local advisor, really furious, ’How do you think I’m going to hang up my things in a bus-stop?’ I’d been training for six years, hours and days. What happened here? It can’t be right. So they said, yes, we’re going to put in windows on one side, another battle (...) When in

heaven's name are you going to give me a proper place? I asked for an activity ruka, not this here. 'So you won't cry like that, we'll put in windows,' they said, a modern house. So that's my story about this ruka." A number of the other owner-managers have thus "fixed" their houses to make them look more authentic, i.e. Claudia L. herself has put straw on the roof of her ruka, and today many of the building thus look rather strange, which we shall return to in section 11.5.3.

Marketing material

The third reported challenge related to Impulsa and its local advisor is the process of developing the latest marketing material: "There are some pictures which are not appropriate. I think that the members said to him that this picture didn't go here, this and this we don't want, but (...) he carried on stubbornly and used the pictures he wanted. He made the whole folder. So that makes you think, who decides here? Is it the photographer, is it him, or am I the leader? And I said to him, 'Listen here, Don Pablo, the photographer took many pictures and where are the others?" (Claudia N., leader of the local tourism organization). Claudia N. thus argues that the members should have selected the pictures at a joint meeting, but that this was not what occurred: "Because the photographer ought to have come to the meeting and shown all the pictures, and then the members should have picked out the ones they wanted to have in the brochure. But this was not done in this case, the photographer and advisor picked the pictures they wanted." Claudia L. also refers to this situation: "As far as this picture here is concerned for example, Impulsa chose it. They made these choices, not the organization. Impulsa and the photographer on their own. They were the ones they thought were best. We did not take part in the selection. We fought quite a lot for this (...) because we should have participated in selecting the pictures. And they didn't ask us to take part in this." She argues that when their homepage was developed, it was different since they were included in the process: "This was chosen by the organization, so that was fine."

10.3.2.4 Classism, discrimination and marginalization

Thus, as observed few of the Mapuche-Lafkenche people today actually dress in their traditional clothing and one of the main internal conflicts in relation to the local tourism organization is the lack of participation of members in cultural activities which involve acting in accordance with the Mapuche ancestral culture, whether this be dancing, singing, dressing up or other aspects. The Mapuche used to be known for their rich handicraft traditions using silver and the ancestral clothing for women in particular was richly adorned with silver. Daniela, who together with some other Mapuche-Lafkenche women runs a centre where they make traditional weaving which they sell to

the tourists, argues that one of the reasons why she does not dress up in the traditional clothing is because her family, due to increasing poverty were forced to sell the outfit years ago: “Before our granny used to have her silver and outfit, but afterwards it was all sold.” Paula, as the secretary of the local tourism organization argues that she would like to dress up, but she has no traditional clothing, no money to buy an outfit, and does not feel comfortable about having to borrow an outfit every time she needs one. Today, Claudia L. and Claudia N., as the leader and the treasurer of the organization, are basically the only ones which have the outfits and use them frequently: ”The other business partners think it’s a bit embarrassing to dress up”, (Claudia N.) and that the other members only appear dressed because “we force them” (Claudia L.).

Claudia L. argues that resistance to participating in activities which involve demonstrating or staging parts of their ancestral culture is very strong among the members. And for Claudia N. as leader of the local tourism organization, this situation upsets and frustrates her, and she is constantly on the outlook for explanations why the members do not want to participate and show such little interest: “Could it be because they have never got used to this work?” She argues that if they do not know how to dance, they can learn it, but that people are apparently not interested: ”If we’d made that extra effort it would have worked out well, but suddenly there are people who really don’t like it, it doesn’t interest them, like they’re not in it at all, or I don’t know (...) everything’s negative, and then it’s like you get sick of it too.” Thus, the unwillingness to dress up in traditional clothing and participate in activities might be related to the lack of an appropriate outfit and also to the loss of core competence as argued in section 9.4.2, but in the author’s opinion, these are only more superficial manifestations of a problem whose nucleus must be sought in the inheritance of a colonial feudal system where discrimination due to class, colour and origin have been very central aspects.

After colonization, Chile soon established itself as a supportive vanguard for the Spanish Empire in America (see e.g. Fermandois 2004), and the large landholders, the *latifundistas*, with direct contact to the Spanish monarchy through the Viceroyal of the capital of Peru, Lima, soon became the Chilean local elite and have remained so until the present day. Pedro de Valdivia did not envisage, as did the Crown, a pattern of rural settlement where European-style farms would exist alongside villages of free-holding Indians. Rather, he imposed a feudal system where the native workers would be subordinated to the eminent domain of a powerful lord and reside inside the legal boundaries of the great estate. Bauer (1975), referring to Mario Góngora (1970), argues that this

rather seigneurial aim among most of the conquerors was only achieved in Chile, related to the fact that Chile was considerably removed from the centres of imperial power. The system of Valdivia involving the indigenous people being subordinated to their patron (landlord), the 1608 Royal Decree making Indian slavery legal, and the slender of rights of the "free" Indians in the seventeenth century blurring the distinction between them and those legally enslaved, exacerbated the already low social status of the indigenous population in Chile and strongly reinforced the original bonds of a seigneurial society (Bauer 1975: 7-8).

In this system we can thus find the nucleus of a society and culture which today stand out as extremely classist and hierarchical, and where there is an unquestionably strong correlation between high socioeconomic status and light skin, and where the indigenous population figures at the bottom of the social class hierarchy. The indigenous population, as well as Peruvians or Bolivians, are thus often viewed as less "civilized" due to their darker skin and more apparent indigenous origin (Nordbø 1998), and the word *indio* (Indian) is common invective in contemporary Chile. What we can thus observe is that today even the Mapuche ridicule their own people for practising their ancestral culture: "They laugh at those of us who work with tourism. Many people laugh at us when we put on our outfits (...) for example they say that 'señora Maria' is dressing like a *machi*[153]." At the same time, there exists in Chile an extraordinary adoration for Western society and culture, as may be observed in the adoption of consumer patterns, living standards and values, which for example in this dissertation manifests itself as we will get back to in section 11.1. in the owner-managers' longing and struggle for a more Western oriented everyday life as the core of "the good life".

Thus, in an historical perspective Chile has tended to deny its ethnic and cultural diversity. Bauer (1975) argues that in Chile, the conquest swept away native culture and values, and referring to Jara (1973) he argues that within a century a seigneurial society was created which "has been one of the most powerful determinant structural elements in the formation of the country" (p. 8). The country's ruling class with its strong links to the political system has been able to build and internalize in the minds of people the idea that Chilean society is a racially homogenous society, basically of European origin, and Claudia N. argues for instance that they never learnt anything about their ancestral culture at school: "I studied up to 4 grade, but we never learnt anything about who the

[153] Mapuche shaman.

Mapuche were/are or their history. No we learnt about Pedro Valdivia, the conquest of Chile, Cristobal Colon, the discovery of America, etc. etc. We learnt about France, Greece, etc. But we never learnt about who we were ourselves. And our children have the same experience. Maybe worse? How can we then expect the Mapuche themselves to want to be Mapuche?" The little recognition there has been of indigenous peoples in Chile has tended to deal with their past, such as in history books or on postcards, not their present (see e.g. Aylwin 1998)[154] and the few laws that have been passed dealing with indigenous matters up until the Indigenous People's Act of 1993 (see section 3.1.2.1) concerned indigenous land and means to incorporate the indigenous people into the individual property system and the economic strategies defined by the government (Calbucura 1994).

The resistance to participating in activities which involve demonstrating or staging parts of their ancestral culture has also thus to be understood in light of poverty and marginalization of the Mapuche-Lafkence people. After the formation of the Chilean republic state land granted by the State to the Mapuche comprised only 500,000 hectares, slightly more than 5% of their ancestral territory south of the Bío-Bío river (Bravo 1999).[155] Furthermore, estimates indicate that during the

[154] For example, it is interesting that in the presentation "Chile. Facing the year 2000" by the Ministry of Foreign Affairs, the following description of the population of Chile appears: "By the end of the colonial period, when the population reached an estimated 500,000, approximately 300,000 were mestizos and about 150,000 were "criollos" (persons of European descent born in Chile). Nothing is mentioned about the remaining50,000, which must be assumed to be the indigenous population. Furthermore, the book, which was developed by the Ministry of Foreign Affairs in cooperation with the Chilean Embassy in the USA, argues: "the transition years (referring to the period of dictatorship under Pinochet) fostered a collective respect and support for democracy and a free market economic model as the intertwined pillars of Chilean society that have provided stability, growth and *social equity*" (p. 25, cursive added). To argue that the free-market model has resulted in social equity is considered by the author as a slight exaggeration considering the gap between poor and rich in Chile; this gap has increased – not decreased - significantly due to the implementation of the free-market model.

[155] Originally the territory of the Mapuche stretched from the River Aconqagua in the V region as far as the channel of Reloncaví in the X region (Flores Ch. 1997). The Spanish settlers managed to take control of the land down to the Bío-Bío river and establish strongholds further south, but throughout the colonial period the area that is now Chile consisted of two distinct nations: one a poor outpost of the Spanish Empire and the other an independent territory, given the name Arauco by the Spaniards. However, after the formation of the nation state between 1810 and 1818, the Chileans did not consider the old agreement with the Spaniards valid, and in the middle of the nineteenth century, Chilean authorities in the capital of Santiago started debating the need to civilize the Mapuche and take control over Mapuche territory, as well as to include their rich lands in the agricultural development strategy of the country (Flores Ch. 1997). For this purpose, the Parliament passed a law in 1866 declaring the lands south of the Bío-Bío river to be "fiscal", thereby empowering the authorities the right to allocate them to individuals for colonization (Aylwin 1998). Based on legal principles laid down in 1813, the "Commission for the Relocation of Indigenous Peoples" was created. The task of this commission was to place the surviving Mapuche in reservations. The Mapuche uprising in 1880, when almost the entire Chilean army was in Peru fighting the war of the Pacific, was just the pretext needed to initiate what ironically enough was called "the Pacification of the Araucania". At the beginning of 1883 the Chilean army occupied the Araucanía and Chile took possession of approximately 55,800 square miles (Calbucura 1994). Although the Mapuche resisted this occupation, the army ended up defeating and subjugating them, imposing Chilean laws and authorities over their ancestral lands (Aylwin 1998). Over the course of 35 years (1884-1919), approximately 80,000 Mapuche were confined

first half of the twentieth century, approximately one third of this granted land had been further usurped by private individuals (Bengoa 1985). In the 1980s, after the military dictatorship decreed that collective property be divided and issued titles of ownership to individual Mapuche families as a result of the Indigenous Law of Pinochet (No. 2,568 of March 22 1979), the number of Mapuche reservations decreased to 665 and the average size of the Mapuche peasants' land was 5.5 hectares (Calbucura 1994:1). The reduction in their ancestral territory also implied much more intensive land use, and a brutal rupture in the communities. The land deeds (*mercedes de tierra*) were also in most cases granted for the poorest soil and the Mapuche were not prepared in practical terms either technologically or agriculturally to take advantage of their small properties. The outcome was as also exemplified in section 3.2.1 and 5.2.1. extreme poverty (ibid.). Claudia N. tells us about how hard life was when she was a child: "I still had no shoes when when I was twelve and covered with lice (...) I'm 42 years old. I remember when I was a child, maybe five years old, there were no roads here, no school, no health clinic, you had to walk a very long way. The path went along the beach. And when it rained, we arrived at school shivering and weeping, we had no food. (...) If a plague or something like that struck, many, many village children died. Life was very, very hard. And people bore their goods on their shoulders all the way to the village and got a few pennies for them." Thus, despite the indigenous reawakening taking place during the last 10-15 years people are still ashamed of looking back on their indigenous heritage: "Today there's some talk of bilingual education, and that's good. But I ask you, what are the mothers thinking? I know many who say: 'I don't want anything to do with this language, because when I was little I starved, had no shoes, was looked down on, poor, covered with fleas, and I don't want my son to talk this language, because it marked us terribly, we had nothing to eat and wept from hunger, so what good can come of my son talking Mapudungun?' I meet many women who say: 'I don't want to weave lambswool clothing for my children because it's embarrassing, I had to wear it as a child, but full of fleas and I didn't have any other clothes to wear and I don't want my kids to go back to this.' But who's responsible for this? They've got the hotshots who have managed to study to be lawyers, engineers, etc because they could go back to the people and tell them another story, and show them that look, I was also discriminated, but look at me now. It wouldn't take much to make people proud of their origins" (Claudia N.).

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to reservations (*reducciones*), a name that was used to refer to the reduction which had been imposed on the size of the traditional indigenous land. During the same period, approximately 22 million acres of Mapuche land were left open for colonization, either by European settlers that were encouraged to come by the government, and to whom the land was given upon their arrival, or by Chilean colonizers, to whom the lands were sold at convenient prices (Nordbø 1998, Flores Ch. 1997, Calbucura 1994).

Linked to the generations of marginalization and discrimination is an internalized personal feeling of inferiority, which manifests itself as an extreme sensitivity to criticism. Pablo at Impulsa argues thus: ”They’re not capable of taking self-criticism, or criticism from others. It has to do with personal maturity. People lack education (…) there are interpersonal problems, and problems to do with a lack of consolidation of the organization. We don’t quite know what’s going on as far as their ability to organize themselves better is concerned.” However, in the opinion of the author, this sensitivity has more as argued to do with generations of discrimination and marginalization rather than a lack of education. This sensitivity also seems to be especially acute in the female owner-mangers, as argued in section 9.5, who have often lived through the experiences of another special inheritance from the feudal system and colonial times, known as we will se in the following section as *machismo popular* or paternalism.

10.3.2.5 Clientism and projectitis

In section 10.3.2 we argued that one of the other salient conflicts within the local tourism organization concerned economic resources. As leader of the local tourism organization, Claudia N. was frustrated about the passivity and lack of interest in and devotion to the work in the majority of members, as expressed in the following phrases referring to Mario, one of the owner-managers: ”The only thing he’s waiting for is for them to give him money, but he doesn’t contribute anything himself” She feels in particular that when it comes to obtaining some sort of financial gain, Mario and a number of the other owner-managers demonstrate a rather different attitude: “But when a project or other benefits turn up, then the people who have almost never struggled, but who are members of the tourist organization, are first in line.” Claudia N. sighs and asks: “When will they better themselves/make progress these people? Do they expect just to get everything, for it to fall from the sky? If they don’t make an effort themselves, what more can you do for them? So there’s no support.” During the research conducted, it became increasingly clear that the frustration that Claudia N. had expressed was legitimate in the sense that there did seem to be a kind of attitude among the owner-managers that ”first money, then work” and not the other way around, visible for instance in the following argumentation from two different owner-managers: *“*An incentive so that we can work really well (...) because we need (...) Impulsa still has not given us (...) for example they say to me, your project is ready, so now you can carry on working in peace, (...) here a lot of things are still lacking;” or, ”but to start a project you need money (...) I still don’t have a lot of

things, a laundry which I have to make the foundations for and a rubbish dump/room. We also need to make some guestrooms and a bathroom in the house. We need support for this."

However, by virtue of the same investigations, it also became obvious that Claudia N. herself also displays elements of the same attitude, visible in the following description of one of the new members: "Further on, there's another initiative, a new member, the idea is ready but there's still nothing there. They lack the winning ticket, as we put it, the money." Thus, what became increasingly clear was that this "passive attitude" seemed to be of such a general character that it was legitimate to speak of a local cultural characteristic. Pablo, the local advisor of Impulsa, also recognizes the same passive attitude among some of the owner-managers and argues that "some people take their starting point in what they have and ask can I do this and this? But other people want to be given everything, whether the project can give them this and this, and that's not on" (see also Vivar 2001). However, to understand this rather interesting characteristic and what it might imply in terms of the entrepreneurial and innovative capacity of the owner-managers and thus eventually the success or failure of the tourism businesses, we need once again to turn our eyes to the history.

Paternalism, patron/client relationships and public services as political benefits

The land-granting following the colonization of Chile was the start of a system of large estates (*haciendas* or *latifundos*), which have been a characteristic feature of Chilean rural society ever since (see e.g. Hudson 1994 or Bauer 1975). The hacienda system developed into a special feature in many ways, and each hacienda functioned as a complex society in miniature. The large rural estates even had stores where people could buy a variety of goods, chapels and dispensaries for primary medical attention. There were houses for the estate's administrators, mechanics, accountants, enologists (if wine was produced), blacksmiths, and others who constituted the professional and skilled labour force of the enterprise. Some of the labourers lived on the estate all year round, and they or their family members worked when needed in exchange for the right to cultivate a portion of the land for themselves and to graze their animals on specified fields. These labourers' families in general enjoyed better living standards than the rest of the rural poor. And apart from laying the foundations for a hierarchical and classist society the hacienda system and the Portalian state (as argued in section 10.1.1), by virtue of their paternalistic character, also laid the foundations for a culture of "giving" and "awaiting" benefits, rather than such benefits being acquired thanks to one's own efforts (Mosovich Pont-Leizica 1997). Furthermore, outside the

capital city, colonists often tended to ignore or circumvent royal laws, and in the countryside and on the frontiers, local landowners and military officers frequently made and enforced their own rules. When Chile became an autonomous republic in 1818 the central part of the country, the metropolitan area, developed social, cultural and political institutions and practices similar to those of European and North American counterparts, while at the regional and local level the paternalism, under-representation and the patron/client relationships inherited from colonial times continued to dominate. According to Mosovich Pont-Leizica, the national arena was dominated by representative political systems and by political transactions involving the interaction of interest groups, while at the local level "the goals of political transactions were, as occurs with clientelist relations, the obtainment of goods or personal favours in exchange for political support" (p. 199, see also Rehren 1991). Thus, in the empirical data there are several traces of this patron/client heritage, expressed for example as argued in section 10.1.1 in the fact that Claudia N. considers her most important task as leader of the local tourism organization to be to "knock on doors" on behalf of members to obtain support for their projects, or in the fact that when referring for instance to the regional or local government, she uses the terms *el alcalde* or *el intendente* and not the names of the institutions, those rural administrative bodies, as such.

What we thus may also discover is that such patron/client practices actually form the basis of one of the main internal conflicts between the owner-managers in the organization (see section 10.3.2), since the owner-managers that belong to Puerto Saavedra have, thanks to negotiating with the mayor, managed to obtain a car and a driver to transport them to and from their monthly meetings, while the owner-managers that belong to Pto. Dominguez have not. We can thus also see that the relationship with Pablo, the local advisor at Impulsa, is rather patron/client in its nature and that he figures as a sort of *father patria* who guides and advises the owner-managers; despite the intended bottom-up approach to development, where he expresses that "giving confidence and training is important, so they can be involved in the planning, developing and evaluating", many important subjects related to the decision-making processes of the project have, as described at a number of occasions, been rather top-down.

We also see that this top-down process is also the main reason for the conflict related to the development of the marketing material, as argued in section 10.3.2. Pablo tells us about the process of taking pictures for the new brochure that was to be developed: "Later we were going to take more pictures and I entrusted three people with the task of carrying on with this work. These people

took photos of some of the projects, but people in the projects who hadn't been photographed felt very insulted and displeased. They couldn't understand the background for this, even though pictures were to be chosen which represented the totality of the projects. It wasn't important who was on the pictures, but the impression they gave. But they just didn't get it. Maybe because they had low self-esteem. Pictures are expensive and you can't develop all those you take. I gave the group of three the task of picking out pictures with the photographer." What we can see is that instead of letting the local tourism organization set up a committee that could work on the subject and then for example have a meeting later at which the organization as a whole decided which pictures to use, Pablo, probably took a "shortcut" which ended up provoking a rather extensive conflict. Claudia L. argues that "they should still have asked us: how should we do this?" The situation thus emerged that first the leaders of the local tourism organization were frustrated because Pablo took decisions over their heads, and then people on the Puerto Saavedra side of Lago Budi felt he was favouring those families on the Puerto Dominguez side, thus adding fuel to the ongoing conflict mentioned above between the owner-managers. Clearly, Pablo does not actually understand the complexity of the local culture and history: to him, the owner-managers make a lot of fuss about nothing.

The NGOs, the culture of projectitis and public services as economic assets

In the southern part of Chile, the clientistic model assumed a new and rather peculiar form under the dictatorship of Augusto Pinochet (1973-1989). Lambrou (1997) argues that left-wing professionals that had held central positions under the socialist Salvador Allende government were "kicked out of office" after 1973 and transferred to the South. She argues that, due to the formation of a number of local NGOs which provided economic survival opportunities, they soon became a "nucleus for resistance and expertise on solution to local development problems" (p. 107). Due to the existence of a military government which internationally was considered to be both brutal and despotic, "donor agencies were falling over each other to find alternative channels for their development assistance" (ibid: 109). A vast quantity of funds was channeled to peasant organizations, and the NGOs helped the local communities to set up development projects, seek external funds and technical assistance. Lambrou thus argues that the external funding provided much needed resources while creating "a culture of reliance and a clientelistic middle class of professionals"

(ibid.: 107). She further highlights that within the local communities a culture of "projectitis"[156] emerged which involved the local poor seeing "their survival and salvation linked to having a project funded by an external foreign agency" (p. 110). With the return of democracy to Chile, many things changed but others did not, and among the factors which did not change was the highly neo-liberal and profit-oriented local development model of Pinochet, where public services continued to be economic goods under the notion of "what you pay is what you get". Lambrou concludes that one of the experiences from the Pinochet regime was that the state was not necessarily *"*the only possible promoter of development" (p. 110), and the democratic government was well aware of the role that the NGOs could play also in the future as a means through which to channel international funds and implement government policy. As a consequence, the NGOs which under the military regime were wholly independent of the government, suddenly as will be further elaborated in section 11.5.4 became one of its closest partners.

Thus, in the poor rural communities in Southern Chile a culture of "giving" and "awaiting" benefits still rules, but now it is the NGOs and their local advisors that have become the new "political brokers". Pablo himself as observed earlier argues that the Mapuche are "awful beggars", and Impulsa in its report (2002) states about the owner-managers involved in the project that "only some of the members are more independent, the majority is on a stage where they are awaiting what the program, other members of the community or the organization suggest" [157] (p. 14). A culture of "projectitis" is thus firmly rooted in the local culture in Lago Budi, visible for instance in the constant mentioning of "projects" in the empirical data; "my project", "their project", "his project", etc. and as Daniela for example argues when speaking of one of the former members of the handicraft centres: "She's just a member, she doesn't come to work now that she's got her own project." Furthermore, this also helps us to understand why Paula in the former sections talks about obtaining a project as if it were to win the lottery: "so because of our culture we were favourized (...) and the projects **were won** due to this. At the local community level in the rural parts of southern Chile, survival thus still depends very much on having a project financed. For several of

[156] Projectitis means 'small project', and refers to the Chilean habit of making everything "smaller" by adding the diminutive suffixes *–ito* or *– ita* to words. Thus, something may not just be small (*pequeno*), but very small (*pequenito*) (see Nordbø 1998). In the opinion of the author, even this habit can be traced back to the patron/client relationship that developed with the hacienda system and beyond. The relationship of giving and receiving favours created a hierarchical power imbalance, where small favours were more easily fulfilled than bigger ones. Thus, it is not a question of doing me "a small favour" (*un favor pequeno*), but a question of "a very small favour" (*un favor puequenito*).

[157] "Solo algunos miembros son más independientes, la mayoría está en una etapa en que esperan lo que propone el programa u otros miembros de la comunidad o de la asociación."

the owner-managers, the tourism project is thus just one of a variety of projects which they are involved in as a means to make a living. Claudia L. for instance tells us that she is involved in some teaching projects which are financed by other institutions: "there are projects (...) other institutions. Volvichon, Seremedit, other institutions." However, the difference from the Pinochet era is that the financial funds now not only come from an international foreign agency, but, as argued, also from national developmental funds and where the role of the NGOs is still to help the local communities to systematize, formulate, develop and apply for project funding.

10.4 The local community: from resistance to acceptance

In the former section we have looked at a number of reported challenges related to the NGO who has helped them develop the tourism project and its local advisor. In the following we want to look into who the cooperation between the businesses and the local community in both destinations is working. We could thus argue that at both destinations it is clear that the attitude towards tourism and the local tourism businesses has gradually changed from resistance to acceptance, although to varying degrees. If we start by looking at the Norwegian case, Hanne, who as earlier mentioned is one of the people who has worked longest with small-scale tourism in Tinn, recounts that there have been mixed reactions; they were also met with scepticism when they initiated their business some 20 years ago: "Well, it was a bit of a mix. At the beginning I think perhaps they didn't really believe in it. There's some truth in the idea that envy is stronger than love." Heidi, who also works a summer pasture, but who unlike Hanne has just started up her business, recounts that the response and backing from the local community has been very good: "Very positive response. I haven't spoken to the ones who are negative, but I would like to. It would be interesting because I'm sure there are some, but I'm really looking forward to seeing whether they will be any conflict with the cabin-owners here. But the locals are positive, most have visited here in the summer." Elizabeth and John, who also initiated their business only a couple of years ago, also recount that they feel that the response from the local community and inhabitants has been very positive; this they relate to the fact that people understand that their business is important for the development of the community. "No, it was good. Very good."

Concerning the Chilean case, although there has also been a shift from resistance to acceptance, this process has been rather complex. Miguel, who with Claudia N. as argued was the first to start up with tourism, recounts that getting the local inhabitants to accept the tourism project was rather laborious: "We had to tell and explain to them in great detail, tell them that we were the ones who

were going to do tourism, without altering the area or the individual's property. So that's how it was done, but broaching that topic here wasn't easy." He also mentions that they gave courses and that Sernatur at the regional level helped them explain to the people what tourism was all about: "To begin with we also invited people from other villages, and a lady from Sernatur trained us. She came to give a short presentation with the leader of Sernatur at that time, Don Vladimir Flores. He was one of the people who helped us a lot to open up for tourism. He tried to explain a bit to the people, especially those in opposition, he worked a lot here with the people, we even visited people at their homes to explain the topic a bit and to avoid great conflicts within the village. Trying to reduce the distrust. This was how we started working with tourism." Miguel argues that many people were against tourism because of the potentially negative impacts: "Some people were negative due to the effects it could have, like more pollution, that the harmony we lived in would be disturbed, we live a rather 'passive' life and tourism would get people moving more, and the people didn't want this." When asked whether such resistance was due to a certain preoccupation with the possible commercialization of the culture due to the emergence of tourism, he argues: "That wasn't really what was being focused on. But when we looked into the problem in some depth, basically people were afraid that people would come from outside the area and implement their tourist initiatives. We live in a village here, people are born and bred her, and they would not have approved if people had come from outside the area to do tourism work. Because as you know there are many people who invest a lot of money in this work, and perhaps someone would sell their land to outsiders and people would come to start up their initiatives. And that was the fear of the folk hereabouts." Marcelino who is located on the other side of Lago Budi also reports that he launched the idea to start up with tourism in the community as such, but that the other community leaders laughed at him: "I was a village leader for over 14 years and so I was at quite a lot of meetings and heard a lot about tourism. We talked together as village leaders saying that we wanted to work with tourism here in the village, as a village. But the other people didn't want to, they laughed. They said what will you sell, who will come?" He recounts that there were three community leaders who decided to start up with tourism; this would, he hoped, help people to realize that tourism posed no risk to the community; however, this act led to the local population claiming that these three had acted without the consent of the community: "We are three of the leaders who are involved, the treasurer, secretary and me as leader. People say we have gone over their heads." Pablo, the local advisor at Impulsa, argues that they had expected more internal conflicts due to the tourism project, but this was not in fact the case: "We thought that envy might arise between the families in the village, but that hasn't happened. Even though not everyone takes part in the projects, there are no

conflicts within the villages." However, this is not totally correct since we have already seen that there is some jealousy between the tourism businesses and some conflicts. Claudia N. reports that she has experienced conflicts with her community, especially at the beginning, but that more recently attitudes have started to change: "But unfortunately my own people got very angry at me and called me a 'traitor', that I'd sold the village and done things on the sly, even my own family was against me (…) I said at meetings and gatherings that the group work wasn't working because whether it was about Mapuche or other people, no one ever managed to work together, because there are always a few people who want to work, while others do not take part. Only when a project or other benefits turn up, then the ones who have practically never struggled (...) are first in line. This meant that the projects always failed."

Paula, responding to the question of the way in which the local inhabitants have received her project, recounts that "I don't know how to put it, because when we're face-to-face they don't say anything to me, but maybe behind my back? I don't know. One of the other members once said to me at a meeting that people talk a lot about your project, because you sell food, they call it *aipoj piche*[158]. I thought they were ridiculing me (...) I said to the other member, 'You also offer typical food, so watch your mouth'. I didn't even ask him who had said it (...) So I know that behind my back there are many people who laugh at my initiative." As to whether there has been any direct conflict, she argues: "No, no. Nothing. They laugh at us who do tourism (...) there are a lot of people who laugh at us when we put on our outfits (...) and I know there are many people who laugh at me, but I think they are on the 'wrong track', because all one wants to do is to improve one's situation, get better (...) not because you're a clown or anything like that, not at all." Miguel states that although attitudes have improved, tourism remains a peripheral theme for the local inhabitants and is not an activity they would consider as offering viable opportunities for income: "To do the excursions properly we need other investments, like horses, for example. This would be a kind of work we could give the villagers, but as they are not that interested in it, they don't take part. Or at other times they dedicate themselves to working with farming."

[158] Full stomach.

10.5 Summing up

In this chapter we have looked into a number of reported challenges and constraints linked to what we have called the supportive environment. As argued in the introduction, some of the issues linked to the supportive environment have already been dealt with in chapters 7 and 8, such as the availability of capital, access to customers or new markets, limitations related to local and regional tourist offices and the availability of reasonably priced labour. This chapter has thus focused on the remaining characteristics reported by the owner-managers. These include: challenges and constraints related to the public institutions and policies; the importance of entrepreneurial policies, networks and mentors; the existence and functioning of networks and business cooperation at the local level; and finally how the relationship between the businesses and the local inhabitants and community might affect business development and performance.

With reference to the owner-managers' contact and relationship with the public authorities, there are substantial differences between the two cases. In the Norwegian case, the type of business operated and the products tend to determine whether the national and regional authorities are perceived as peripheral or highly present in the daily lives of the businesses and also whether the relationship is perceived as mainly positive or negative. Especially those businesses at which animals and food production are central parts of the tourism product report that they are constrained by a number of strict rules and regulations which highly complicate both their everyday lives and their businesses' profitability and development. Furthermore, they report that the contemporary Norwegian agricultural milieu is still highly conservative and exclusive in terms of small-scale operators, and to some respect women. In the Chilean case, the government and state apparatus are either very peripheral in the everyday lives of the tourism business operators, or they are very "present" in the form of a number of NGOs that often operate as intermediaries between the government and the local inhabitants and are responsible for coordinating and implementing the social and economic development policies and programmes.

At both destinations, the extensive paper work involved in operating a small-scale tourism business is reported to be a challenge; both destinations also report what they experience as an extensive bureaucracy within certain public offices. Furthermore, the Chilean owner-managers report an organizational culture within Chilean governmental institutions which involves employees often acting in accordance with their own interests and not according to the policies of the institution as such. Furthermore, the Chilean owner-managers experience being excluded from central institutions

and decision-making processes at the national, regional and local level. However, although the small-scale farm-based tourism operators in the Norwegian and Chilean cases lack influence and decision-making power in some forums, they are often called upon when the national, regional or local institutions need them for marketing or as examples of good practice; both case areas report that they find this rather annoying since they do not experience the same kind of interest from public institutions when they ask for support for their businesses. Furthermore, the owner-managers in both case areas are not only concerned about the bureaucracy and inefficiency of the local authorities, but also about the political level. They express that there is a lack of focus on and backing for small-scale entrepreneurs in terms of the more general economic development of the community; in terms of tourism specifically, this might hamper not only the development of their businesses but also the development of the community as such as a lack of backing affects whether many small-scale entrepreneurs ultimately choose to give up their businesses and/or move out of the area.

Tourism researchers often point out that there tends to be little mutual trust between tourism enterprises; they often regard one another as competitors instead of colleagues. Although many destinations depend heavily on tourism and the local businesses could not survive without each other's presence, cooperation is in most cases scanty. Cooperation is in most cases thus a result of mediation by other organizations. We can see that this is the situation in the Norwegian case; mediation takes place via the local tourist office. There is no established business network or organization apart from the newly established "Visit Rjukan" whose main function is joint marketing. The Norwegian owner-managers argue that there is an urgent need not only for more cooperation between the tourism businesses, but also between the tourism businesses and the local supportive environment. In Chile, a local tourism organization exists, "Llilko leufu Budi", and to start up with a tourism business one first has to become a member of this organization. During its few years of operation, the organization has run into a number of constraints and challenges, which we in this chapter have grouped into three main categories: jealousy and disagreement between the local tourism operators; a lack of participation by the members in joint activities; disputes between the (leaders of the) organization and the local Impulsa advisor. We have argued that some of the reasons for the problems are related to the fact that the Mapuche owner-managers, as part of an indigenous culture, have experienced generations of marginalization and discrimination. Furthermore, we have also seen how a paternalistic rural structure traceable back to colonial times has laid the foundations for a clientistic relationship through the practice of "projectitis", where

rural poor see their survival linked to having a project financed. We have seen how this practice has created a local cultural characteristic that actually works against the formation of any entrepreneurial spirit, since people tend to passively wait for benefits to appear, rather than trying to obtain such these benefits by virtue of their own efforts or through a process of development. Thus, at the local level in Lago Budi, a culture of "giving" and "awaiting" benefits still applies, the only change being that the NGOs and their advisors are now the "political brokers". Finally, we have also seen how Chile's authoritarian tradition, with its centralized and top-down power structure, clearly affects tourism plans and developments at the regional and local level, and this combined with a high level of bureaucracy, clientism and a lack of cooperation between and within governmental institutions as we will get back to in the next chapter, works against the formation of any entrepreneurial culture. Furthermore, Carmen Blanco, who was one of the initiators of indigenous tourism in Chile points out that what is problematic about governmental institutions involved in pro-poor and community development in Chile is that, "these institutions do not see poverty as something structural or due to historical reasons, and neither is human development a central factor in developing the initiatives" (Blanco 2004 personal communication, e-mail). In addition, she recounts that a long-term perspective has always been lacking because state institutions have not understood that the success behind an initiative like Weche Ruka are the human, cultural and organizational factors which are impossible to develop over a short period of time no matter how much money or other resources are spat in, but unfortunately, as she points out, "there were few people within the state who wanted to acknowledge this" (ibid: 2).

Finally, with reference to the way in which the local community and inhabitants have reacted to the local tourism businesses, both destinations report that there has been a gradual change from resistance at the beginning to broader acceptance. However, in the Chilean case tourism is still not a theme that the local inhabitants have very close to heart; neither is it an activity which they would consider offered viable opportunities for income.

Part 4: Small-Scale tourism and Rural Everyday life: the Tension between Tradition and Modernity

In part 3 of the dissertation, we tried to gain a better understanding of the third research question by looking at the challenges and constraints that the owner-managers have experienced in their everyday lives when operating a small-scale tourism business. The benefits of the comparative approach - as argued in section 1.4 - were especially visible in this part of the dissertation since the comparison of the two highly different cases revealed a "wider" range of possible reasons for the failure of small and micro-sized tourism businesses in rural areas than would have been possible by studying only one case. At the same time the narratives of the owner-managers also clearly illustrated the point made elsewhere; that complex processes of change have reshaped the more traditional countryside and have left contemporary rural communities as arenas in which a multitude of tensions and competing demands are played out, frequently reflecting wider social, cultural, economic and historical differences and conflicts (Clark et al. 1994, in Sharpley 2004: p. 374).

As argued in section 2.5.1, often very interesting narratives or stories concern processes of transformation, where the narratives or stories are complicated and not routinized. This is as argued related to the fact that the owner-managers are "in the middle" of living these processes, and it is thus difficult to formulate them in a linear and coherent manner. The task of the researcher is thus to organize and "glue together" the different part of the stories and put them into a context which transforms the fragments into readable and meaningful texts. In this part of the dissertation we will continue our search for a meaningful and more complete understanding of the challenges and constraints of operating small and micro-scaled rural tourism businesses in rural areas by picking out some of the incoherent parts of the empirical material from part 2 and 3 of the dissertation, the "loose ends" and unanswered questions, and try to penetrate the layers which manifest themselves to seek out a deeper understanding and the contexts in accordance with the hermeneutical circle as expressed in section 2.4.2. As we progress, we will thus also discover that the crux of the matter is ultimately an existential discussion about the pros and cons of modern life.

Chapter 11: In search of authenticity

”*People who aren't Mapuche, they see our culture with a lot of love.*”

(Claudia N.).

Several tourism researchers have argued that it is the changing mental perceptions of rural or country life that form the background to the growth of rural tourism during recent decades as described in chapter 1 (Sharpley 2004, Page and Getz 1997, Long and Lane 2001). Rural everyday life is increasingly perceived as a kind of idealized product of the "good life" created by images of rusticity and idyllic village life (see e.g. Page and Getz 1997, Long and Lane 2001). In an attempt to explain this trend, Hall et al. (2003) argue that:

> "As modern (urban) life has become faster, more stressful and less 'authentic', so the symbolic significance of the countryside has taken on a more utopian, mythical role as a simpler, slower, more natural, more meaningful and thus 'superior' state compared to the urban."

(p. 10[159])

The myth of the countryside as a representation of the "good life" can be traced in more traditional studies of rural life, in which, with reference to Ferdinand Tönnies (1957) and his theory of *Gemeinschaft* (community) and *Gesellschaft* (contexts of impersonal society), there has been a tendency to apply a spatial division between urban and rural. Rural areas were described as *Gemeinschaft* societies characterized by relations based on close human relationships developed through kinship, a common habitat and cooperation, whereas urban areas were described as *Gesellschaft* societies where relations were created through impersonal ties and relationships based on formal exchanges and contracts. Roberts and Hall (2001: 9) argue that this perception is also strongly related to what (Williams 1985) has described as one of the most powerful of "modern myths", that social changes such as industrialization and urbanization are seen as representing a decline in the character of society.

[159] Same text is found in Roberts and Hall 2001: 38, but without any reference.

In an era of tourism as a catalyst for rural development, this myth and the idea of rural communities as *Gemeinschaft* societies are increasingly used in the marketing of rural areas and local communities. Butler and Hall (1998) argue that even though rural areas have long served to attract visitors, it is only in recent years that rural areas and regions have explicitly sought to develop, image and promote themselves. Hall et al. (ibid.:11) referring to Walmsley (2003) argues that as lifestyle becomes an increasingly important determinant of recreational activity, rural communities can capitalize on this through appropriate place marketing. Hall et al. (ibid.) highlight that a variety of rural settings are making huge and conscious efforts to 'improve', establish or change the sense of place by creating and recreating specific images. Butler and Hall (1998) argue that:

> "Places are increasingly being packaged around a series of real or imagined cultural traditions and representations, often focussing on a particular interpretation of the enterprise history of a place, e.g. industrial history (agricultural or otherwise) or a romanticised vision of heritage."
>
> (p. 119).

Butler and Hall also highlight that the diverse range of the purposes of such images raise interesting questions concerning the processes involved in their selection and the balance of interests represented within them, as selling rural areas under the label of authenticity in all its plenitude not only contributes to an economic restructuring of rural areas but could also lead for example to substantial cultural and social restructuring. Regarding this, Tomlinson (1999) argues that "many of the symbolic representations found in marketing, whilst having ultimately an instrumental (economic) end, are [...] very properly cultural. Advertising texts [...] remain significant cultural texts. The way people make use of the advertising texts may often be similar to the way they use novels or films. This is because they offer narratives (however ideologically suspect) of how life may be lived, references to shared notions of identity, appeals to self-image, pictures of 'ideal' human relations, versions of human fulfilment, happiness and so on" (pp. 18-19). For instance, this is clearly the case in relation to the consequences of the presentation of rural communities as *Gemeinschaft* societies, which might be perceived (usually by tourism industry decision-makers) to represent the social constructions of visitors, but which, as proposed by Hall et al. (ibid.), "may contrast and even conflict with the reality of the destination area: local residents may not concur with or may even disdain the images they are supposed to represent or be associated with" (p. 10). This in turn might not only lead to a clash of cultures and perceptions of reality, but can also even

create or reinforce local conflicts and power struggles due to divergences in interests. Furthermore, the generation, commodification and impact of 'idyllic' images of timeless sustainability can also stifle the articulation of actual local identity or identities (ibid). Finally, by selling rural areas and local communities under the overall label of 'authentic rurality' (generations of unchanged traditions, unspoilt nature, local lifestyle, etc.) for tourism purposes, one might at the same time on a more general basis be telling a story about rural life and lifestyle which for some people is associated with "old fashionedness", "drabness", "loneliness", and perhaps among young people, with "extreme boredom". Rural areas could thus change into places that one loves to visit for vacations, but where no one wants to live (Rosenbaum 1995). In this perspective, tourism might not be the catalyst for rural development that it has been proposed to be, and might even counter and stifle change or revitalization. Several researchers also thus argue that rural areas are increasingly becoming spaces of consumption as opposed to spaces of production (see e.g. Cloke 1992, Roberts and Hall 2001, Shaw 2004b), whether by tourists, new residents, conservationists or other interests groups (see e.g. Sharpley 2004).

The above discussion reveals the fact that images and myths of everyday life might be powerful elements in understanding the complex relationship between tourism and contemporary rural everyday life. Tomlison (ibid.) argues that "when we slice into complex connectivity from this perspective, what we are concerned with is how tourism alters the context of meaning construction, how it affects people's sense of identity, the experience of place and of the self in relation to place, how it impacts on the shared understandings, values, desires, myths, hopes and fears that have developed around locally situated life" (p. 20). The aim of this chapter is thus to illustrate the way in which what we have labelled the "tension between tradition and modernity" manifests itself in a variety of manners in this dissertation, and how an analysis of this tension will provide us with a more thorough understanding of the challenges and constraints that the Chilean owner-managers in particular face with reference to the short and long term survival of their tourism businesses.

11.1 The owner-managers and the good life: pre- or pro-modern?

As argued in chapter 5.2, a central turning point expressed by the owner-managers regarding the reasons for having started with tourism in the first place, independent of case area, was that tourism was perceived as an (economic) means to *maintain* or *change* a given everyday life. In this section we will see that the everyday life that the owner-managers are seeking out is, with reference to the

discussion in the former section, "the good life" [160], but that the content of what is perceived as "the good life" varies substantially from one case to the other.

Thus, if we start by looking at the Norwegian owner-managers and lifestyle immigrants, we see that both Gry and Elizabeth in section 5.2.1 explicitly point out the factor of "stress" that seems to penetrate modern[161] urban life as one of the main reasons for the desire to change their former urban lifestyles. The concept of "stress" is on several occasions used to express what is felt to be a number of the more negative consequences of what we could label the information- and knowledge-based side of contemporary everyday life and societies. As Per argues, "the society we live in is stressful, there is a completely crazy flow of information, to quote the last winner of Idol, 'we have a speed, right, a tempo which is controlled unbelievably by the clock'. Everything's in great lumps, we're supposed to run to and fro, at work it's a stress, we get information by e-mail, by mobile phone, normal phone, the internet. So everything's an enormous flow of information and there's an awful lot you have to take into consideration." The increased amount of information that one is exposed to daily and a feeling of not being capable of adjusting one's knowledge or capabilities fast enough, might lead to a degree of personal exhaustion and a certain feeling of impotence. Elizabeth tells about John, her husband, who was experiencing that his job increasingly demanded being up to date on the latest know-how and that this eventually became to much: "Developments within the field of IT go really quickly, so you have to learn new things all the time. And last year he just wasn't prepared to do that anymore." The good life seems to be about being able to slow the pace and it also includes elements of being in or close to the nature: "So then we decided that we wanted another life, more in nature, less stress" (Elizabeth). All of the lifestyle immigrants thus argue that for them a rural lifestyle provides the basis for the good life. Lise Lotte tells us how she convinced her daughter to move to the countryside: "So I promised Gry Elin that she would have a horse if she came too, if she moved to the country, the proper countryside, as at that time we lived in the town." For Lise Lotte, living close to and being in nature, and doing things the "old" way without

[160] Kupperman (2006) rightly observes that the good life might resist generalization, but he also admits that a number of myths do exist about the good life. In his book *What is the Good Life*, Ferry (2005) argues that the very essence of the good life has its point of departure in daydreaming and as both Kupperman and Ferry rightly note, the good life is about perceptions of what is perceived as having value in life.

[161] The adjective 'modern' (in Latin *modernus*) dates back to the end of the fifth century. Gullestad (1996: 27) has pointed out that after its introduction it has been used as a term denoting "the new", as opposed to "the old". The discussion about "the modern" (including the term "postmodern") has been long and extensive – and at times heated – and we shall not go into depth about it here, since as far as the aim of this thesis is concerned, it suffices to link the modern to "the new" as opposed to "the old" as outlined above. Personally the author has the view that the key point is not whether we define our contemporary times as modern or postmodern; the crux of the matter is rather the *content* of our contemporary times.

motorized elements and for example using horses for both work and personal transportation are central lifestyle objectives, as is being able to decide over her own spare time and working schedule: "So I don't have anything year-round, but for me that was the point. I'm not supposed to be working noon and night all year, right, I'm supposed to be outdoors enjoying nature and up in the mountains and that kind of thing." For Gry and Per the alienation of modern, urban life and the separation of humans from nature form the basis of an ideology that penetrates all their activities both personally and professionally: "From seeing nature as a part of our everyday, this view has changed to an idea of nature 'being somewhere out there', something you have to 'walk into'. This can be rather alienating. What about us becoming 'a part of nature?'"[162] Thus, we can see that for the lifestyle immigrants a rural lifestyle is perceived as allowing a more autonomous, less alienated and more meaningful life both in terms of spare time and work. Elizabeth contrasts her former job for a large multinational company with her current job and argues: "Over the past two years it was getting harder and harder to see how I was contributing to the results. Because it was all just so vast (...) and here we've got a business which is our business. We decide how to do everything, when we do it and of course sometimes in the summer there are tourists who decide when we can do things, but for the other part of the year we are in control. That's a concrete result."

We can also, however, speak of a certain lifestyle orientation among the majority of the tourism operators born and raised in Tinn in the sense that, for them, starting up with tourism was, as argued in section 5.2, a way to maintain or continue having a rural life. Thus, we can also see that among these owner-managers there is a certain attraction to pre-modern living and several of them are deeply concerned with both maintaining and handing down local rural heritage. Nils, who runs a summer pasture, argues that "for as long as I can and have my health, I want to run it traditionally with a dairy herd and summer pasture tourism, in the way that I think it is important to convey the values that are here". Theodora also highlights that for her preserving the local cultural heritage of the local summer pasture tradition is the most vital reason that she is still in business: "And that's why I carry on here, to take care of the cultural heritage." Bernard who was the founder of a local handicraft centre also points out his desire to preserve and revitalize the local cultural heritage as a central motivation for what he is doing: "So it wasn't just about welcoming tourists, but also about taking care of the old traditions which were here. You know our iron mongering dates back to the Vikings, as does our ornamental wood carving." The same orientation also applies to Heidi who

[162] From their brochure "Sommerprogram turer og aktviteter 4. juli – 7. august 2005", where their philosophy is outlined.

runs a summer pasture: “We want to live off the farm and are very interested in learning from old traditions.” Thus, among the owner-managers born and raised in Tinn, as with the lifestyle immigrants, we can also spot a tendency to place “urban/modern” and “rural/pre-modern” at the ends of a continuum; Nils for example explains that it was moving away to a more urban location and living outside the village for many years that opened his eyes to the richness of his own rural background and heritage: “I think that those years that I was away from here have meant a lot to me. Because then the village in itself, where I grew up, became a lot more valuable than I could see before I had travelled away from here (...) then I could really understand what values we had here, within tourism, history, cultural history, industrial history and war history. I don’t think I discovered that before I got away from here.”

Among the Norwegian owner-mangers, we could argue that it is thus possible to trace a myth about the good life which is associated with a slower, simpler, more autonomous and more traditional way of life. Gry argues that what it all boils down to are reflections over identity and values, and that this is a kind of search for the meaning of life where modern, urban life is contrasted with a more traditional life, located in a more rural area: “Me (...) who was born and bred in Oslo for generations back, deciding to move up into the mountains and start that kind of studies, there was a special will in myself and a desire to learn more about the mountains, or about Norwegian nature in fact, and not least the culture linked to the subject I was studying. And I think this comes from some kind of search for identity: what did people do in the past? How did they live? So this was an interest in what it was like before and what kind of society we live in now and which values are important (...) So to me this has probably meant quite a lot. Both in terms of identity maybe, but also the feeling of which values are important here in life.”

While we could argue that the Chilean owner-managers, as members of an indigenous culture, in a way present the more traditional, rural life that many of the Norwegian owner-managers seem to long for, the content of the good life for the Chilean owner-managers is actually not traditional or pre-modern, but what we might label a pro-modern life. For the Chilean owner-managers, “the good life” is a life which allows for increased standards of living and access to what is perceived as the commodities of modern life like electricity, technology and education. As in the Norwegian case, the good life is also something they seek out in contrast to their current everyday life, but this good life is one which has very little in common with the often idealized tourism images of traditional, indigenous everyday life. As Claudia N. tells us: “I had a really hard life down there, in the winter

the water was up to your waist (...) It was a very sad story, my life as a woman with my children." Pablo, the local advisor of Impulsa, tells us that the tourism project in Lago Budi was initiated in fact as a means to obtain an improved standard of living for the Mapuche-Lafkenche people: "The project was a part of the municipal development plan. Before this project we had no tar-macked road from Caraguhe to Puerto Saavedra. We had only a gravel track. A road was planned along the coast which could ease access for tourists, and which could be an improvement to the infrastructure itself. There were also plans to introduce electricity to the whole area. Before very few villages had electricity." When asked about whether he perceived that being involved in tourism implies commercializing their culture, Sergio, who runs a small Mapuche museum, gets quite upset and argues: "I know people who don't like tourism, that we have meetings about tourism. They say we will lose our culture, without explaining why. They want people to carry on suffering. That's not good, because people have a right to get out of extreme poverty. And tourism is a good opportunity." Claudia N. is concerned about the fact that getting into tourism has given her access to some of the benefits of modern life such as education and technology, and that adapting to the requirements of modern life will help her to improve her situation. She tells us that she did not make it past fourth grade because she had to start working and helping out at home, but that she as an adult has attended almost 20 different courses and that this is the way that she has educated herself: "We can't disregard education, even though I have been on almost 20 different courses, I'll never stop learning because things change all the time, the system. Like now, with the new technology (...) one must adapt to everything to do with the new technology."

For the Chilean owner-managers it is thus possible to trace a myth about the good life which would point in the direction of a modern everyday life with increased standards of living, more comfort and for example access to education and technology. Sergio argues that the heart of the matter is that they also want to gain the same chances and opportunities as more developed societies: "The Mapuche people must be at the same level as others. Everyone fights for development, so must we. We can't just wait for Europe and North America. We must also develop, have technology."

11.2 The tourists

Within tourism, the rural-urban dichotomy and the discussion about the good life manifest itself in the discussion about tourism as an escape from modernity, an approach initiated by Dean

MacCannel ((1976) 1999) in his exemplification of tourism as a search for the authentic[163], pre-modern and real (primitive). A search, again, put in motion by forces related to "post industrial modernity" (p. 7), which in the words of MacCannel is characterized by "fragmentation, discontinuity and alienation", characteristics "which are such features of modern life" (p. 11). In his view tourists seek out authentic experiences as a contrast to an everyday life filled with duties and where traditions, ethics, norms, rules and morals are in dissolution. Untouched nature, culture (the more primitive the better), tales and traditions are thus experienced as fixed points in a changing and unstable world, and a longing for more authentic experiences thus become a question of finding one's way back to the real and authentic, something that gives meaning to life in a world that constantly feel more alienating. Modernity is thus also here viewed as the force that disrupts "the real or good life". In this context Meethan (2001) argues that the tourist may be regarded as seeking to "recover, or recreate that which has been lost in the process of differentiation" (p. 13). Thus, in this section we will look into whether the tourists do in fact seek out authentic experiences and how the owner-managers respond to claims of authenticity.

11.2.1 In search of authenticity?

Clearly the two cases studied in this dissertation differ in the sense that the tourism demand in the Norwegian case is not only much higher as argued in section 7.2, but also much less uniform than in the Chilean one; this relates to the fact that the different Chilean owner-managers are as described in section 3.1.2.2 marketed under a joint umbrella, that of the "Nature and Ancestral Culture in Lago Budi", while the Norwegian marketing is much more diffuse, as is the product range. Thus, we can see that in the Norwegian case the tourists' interests and demands represent the broad spectrum of activities that the tourism businesses represent. However, the following examples also illustrates that there also clearly exists a focus towards nature and traditional rural everyday life: "They're mostly interested in the animals. Especially when they come with their kids, then it's the animals. But it varies, it depends what they're like. And some people ask about the cheese and some are interested in traditional stuff" (Heidi); "They ask about the farm, about running the farm, about agriculture, about how we're doing, what it's like living here. You can get some of your points across to people who are really listening to you because they are interested and think it's interesting to hear" (Leif); "Experiences and nature. And a lot of people want a mountain track. Which mountain track can I take? How many hours does it take? How tough is it? Can I hike alone? Do I

[163] See Wolland (2001) or Hughes (1995) for rather thorough discussions of the concept of authenticity in tourism.

need a map or is it signposted? All that kind of stuff, they're unsure because they don't know the mountains that well" (Elizabeth).

In the Chilean case the demand is as argued much more uniform, but according to the owner-managers there is a clear difference in interests and demands between the domestic (Chilean) and international tourists (Western tourists). Claudia N. highlights that while the international tourists are very interested in the Mapuche indigenous culture and often for example seek out the most rustic-looking handicrafts, the Chileans tend to be much more prudish and look down on the locals' indigenous background, what they eat, how they dress, etc.: "And most of all the foreigners. They really like the Mapuche culture. The Chileans, it seems that they might not view it as positively. Or like, ai (...) and what's more they're more "refined", they will look down on the food, how you dress, etc. But the foreigners, no matter how rich they are, that's what they want. And they might like the arts and crafts especially, and perhaps the products that are a bit burnt and dark, they prefer that, but not the Chileans. They want top-quality stuff. But the foreigners want what's most rustic." Paula who runs a small cafe also argues that the Chilean tourists are normally the ones who criticize the Mapuche initiatives: "I do not know whether there were one or two groups, they didn't like the other enterprises, but they were Chileans. So there'll always be someone who says here I like, but I didn't like (...) so they always want to point out our 'faults'." Arturo, who runs the Mapuche-Lafkenche cultural centre, also highlights the fact that the foreign tourists are much more interested in getting to know about the Mapuche culture and that they behave very respectfully: "The foreigners are much more interested in familiarizing themselves with the Mapuche culture (...) and they're also very respectful. Of course I've said 'here we talk about this, but not that' (ed: with reference to the culture). And in this sense they've been very respectful, they don't ask about the sacred things" (Arturo). Miguel argues that the crux is that the domestic tourists do not value their own country's indigenous groups, whereas international tourists do seem to have a genuine interest: "The domestic tourists, they don't appreciate the indigenous groups in their own country. They are not very interested in it. But the foreign tourists are different, I think they've read Mapuche books, they know the history, they know the whole topic, and the only thing they want is to be here. And the foreign tourists pay for this, pay to talk, to take a picture, etc. And they are much more cultivated than the domestic tourists. They are more cultured, the foreign tourists (...) For example I've started talking to them and we talk like between Mapuche and Mapuche." Claudia L., who runs a handicraft centre, tells us that the foreign tourists want to take part in and learn about the locals' everyday life: "Living together and sharing with a Mapuche woman. The history of the Mapuche

women. The history of the Mapuche family. So that's why they really like being here or at Maria Nahuel's. And since we have almost the same history both of us, we tell them about it." Claudia N. recounts that all the foreign tourists want to sleep in a *ruka* and that they want her, as Maria R. has also pointed out, to tell them about the traditional, ancestral, everyday life of the Mapuche: "Because all the people who come from outside the area want to sleep in a ruka. Always they ask me about it, they don't want a cabin. And they want a bonfire, us to make tortillas on the bonfire, tell stories (...) They want to know about how we lived before. How the Mapuche lived before. What was life like in a ruka? What did the ruka mean to the Mapuche?" Miguel tells us that his experience of the foreign tourists is that they actually wish the tourism initiative all the best and encourage the Mapuche to develop and recreate more of their ancestral heritage: "They wish the initiative all the best, because we work in this way. That is the opinion of the foreign tourists. And they wish the initiative all the best because it also has a deeper level and there is a greater diversity of themes, like the one I just mentioned, the course in Mapudungun or the course in Mapuche culture. Or for instance the museum, having an ancient history, things like that."

11.2.2 Where are the Mapuche? Responses to claims of authenticity

Although the owner-managers at both destinations encounter claims of authenticity, their response to such claims differs substantially. In the Norwegian case, Theodora, who runs a summer pasture, tells us that people have the strangest ideas and highlights an experience she had with a Swedish tourists: "Many people also believe I live here all year, people get all kinds of strange ideas. When they're going to see a milkmaid, they wonder whether they'll get to see her wearing a headscarf, and things like that. A Swede once shouted at me because I wasn't wearing national dress and I was standing there stirring the soft cheese cold. And I said: 'National dress'? I can't afford to use national dress here. But oh no, I was supposed to dress up for the tourists when they arrived, so I had to have national dress. I should have servants to be doing the stirring for me. But I can't afford that, I said. He was really irritated!" In the Chilean case Claudia N. tells us that the tourists often arrive very confused because they expect to find the Mapuche-Lafkenche people in their traditional clothing in accordance with what they have read in history books or seen on postcards or in brochures: "They are confused (...) Because they say to them, go to Huapi Island, you'll find the Mapuche there. I tell them that they are now on Huapi Island, because after you've crossed the bridge it's all Isla Huapi, but the villages are different. The real Huapi is further in on the island, about 4 km further inland from here. The tourists, well, some are struck dumb with admiration and others ask: Where are the Mapuche?"

Thus, we can see that Theodora and Claudia N. often encounter similar situations when it comes to tourists' claims of authenticity, but that how they respond to or feel about the claims is quite different. In the case of the Swedish tourist Theodora explains: "So I said I wasn't here to dress up for tourists, I was here mainly for the animals, and they will get food and mountain pastures here. And I'm so glad when people come and visit me, I said, and buy my products and that sort of thing. I'm not here just for the fun of it. But he didn't accept this. But there's not many people like that." Theodora is not worried at all about meeting requests for authenticity from the tourists, while Claudia N., for her part, feels that since the project is called "Ancestral Culture" they are obliged to appear according to the more stereo-typical images of them: "I've had visitors from many different places, as it says "Ancestral Culture", and then tourists might turn up and we're not dressed like Mapuche, and so we're lying. I always put on my apron and I put my headscarf on my head when I go to meet them, so I also have something Mapuche on. Because that's what we have to show them, us like that and not have them coming to a woman and finding her in a skirt or even trousers. That wouldn't be Mapuche, so then the tourists would suddenly ask, where are the Mapuche? The Mapuche are right here, but they don't walk around dressed like Mapuche. Because on photos they see some really fine Mapuche, but when they end up getting to the place, the Mapuche aren't there, la señora Mapuche, and then (...) and I've often said it at meetings. Girls, put something on, even just a headscarf, because then it already gives an impression that we are Mapuche, and always have your apron on. Something which can identify you." Claudia N. is in despair because, as argued in 8.4.3, many of the other owner-managers do not seem to understand her demands: "But people don't always understand." Daniela, who runs a traditional handicrafts centre together with a group of other Mapuche woman, argues that when they are expecting visitors they put on their traditional clothing, otherwise not: "When we know there are visitors coming, we do so. Not now, though, because you hadn't told us you were coming."

11.2.3 Primitivism or development?

Thus, we could with reference to the discussion in the above section argue that what seems clear is that the Chilean owner-managers have experienced and believe that the international tourists seek authenticity and primitivism: "The tourists want light in the ruka, but not electric light because then they think it ruins the impression of the ruka, we must make it natural. If we have mattresses there, that's also wrong. Sometimes the tourists bring some pillows or a sleeping bag which they put on top of the hay" (Javier). Christina Brandt, who works at Indap, and who, as argued earlier, has had

many years of experience working with Mapuche tourism, tells us that for her the question of authenticity in terms of the tourism product has always been a difficult subject. With reference to the Mapuche tradition of not keeping the animals separate from the household, as argued in section 9.4.4, she says: "It might not be the best way, but that's the way their culture is. The cockerel could be in the ruka. Before I didn't know what to think about this, because in terms of sanitary conditions it's not ideal, but this is the way things have been done and that's what's being shown, above all to foreigners, an old custom, tradition, it's always been done like this and if what we want is to see what things were like in the past, then that's the way it has to be. That we may be disgusted that animal faeces is there, the same place we tread, well, do we want to see what things were like? Or do we want to see something arranged, pretended, adapted to our times? So that's what we have to look at, what do we want to see, the primitive or development?" Referring to one of the first Mapuche tourism businesses in the region started up by Irene Hueche Meliqueo, and which is a project that Christina Brandt has followed closely, she argues: "Because she (red.: referring to Irene) can live in both ways, when push comes to shove her house is by the ruka, she doesn't live in a ruka (...) so as far as development is concerned she has learnt everything about hygiene, she has portable water." After a short break she adds: "I still find myself in the situation that I must learn which position I am supposed to take." However, despite the complaints that she has received, for example from German tourists, about the hygienic standards at Irene's place, she still believes that the foreign tourists are on the lookout for primitivism: "I learn by observing and listening because one ought to have some kind of position or another to know what should be shown (...) and especially the foreign tourists like to see things as primitive as possible – and in reality I think most of the people who visit Irene are foreigners."

11.3 The authentic tourism product: existentialism or pragmatism?

It is also interesting to observe, as we shall in this section, that authenticity is a central part of the tourism product in both case areas, but whether this is related to more existential reasons (to promote or share personal beliefs, values or culture) or pragmatic reasons (basically customer demand) might differs substantially from one case to the other.

In the Norwegian case, one of the main objectives of Per and Gry with reference to the tourists is to raise awareness through their activities about nature and more sustainable ways of life than are found in today's modern, urban societies: "We definitely want, and this is an important underlying thing in all we do, to create friends of nature. So we're probably very aware" (Per), and since more

sustainable living also seems to involve a simpler and more authentic way of life, they are also concerned that "there shouldn't be that many artificial ingredients in what we do". Thus, traditions and traditional ways of life alongside authentic nature-based experiences are, for Per and Gry, central elements in their product: "The place we're building now is a six-sided building with a channel in the middle which in turn reflects the act of us all sitting around shoulder to shoulder. And it's well-known, bonfires have been important places at which to gather for thousands of years in all cultures (...) So you can say that getting to know nature again, and maybe experience nature and that being quiet isn't that oppressive (…) And taking an easier pace and not always be on the run are important ingredients in our tours." Gry tells us that for her it is rewarding to be able to pass on her own devotion to others through her job: "Getting across what I am passionate about is quite giving." Nils has the same kind of devotion and argues that, for him, conveying the historical heritage is central: "I get drawn in by history and I think this is what it is important to get across to people. For if you have no history, in my opinion life will become boring." Although in a more pragmatic fashion ("the clients like it"), elements of a traditional rural everyday life are also central to Elizabeth and John's product in the sense that many of the buildings have a traditional local style; in addition, lately they have also set up a small museum consisting of old farm equipment. As Elizabeth tells us: "People are very pleased about the way it looks, as you can see from the traditional buildings, each has its own style (...) When you walk from the carpark and back, we have a sort of museum. The former owner had several old devices which were used on the farm, when it was a farm many years ago, and we have a monument, a Telemark monument. The old machines were in the forest out back and in the one up there, but we've moved them, put them together in one place, done them up."

In the Chilean case, in which all of the owner-managers are indigenous and in which the tourism project itself is called "Nature and Ancestral Culture", we might have expected that the reasons for the authentic flair of the tourism products for the owner-managers would be of a more existential character, e.g. to revitalize traditions, to teach about their culture, language, etc. However, for the majority of them the reasons are we could argue primarily pragmatic and only secondly more existential: "Because of the business. One bit is business and another reason is that I don't want to distance myself from my past" (Claudia L.) Paula who runs a small cafe serving traditional food argues that people stopped making traditional handicrafts like e.g. the pirrua some 20 years ago, but that due to tourism they have resumed a number of traditions: "There are many people who dedicated themselves only to this before and by this got something to eat (...) like with *pirrua*, but

people stopped making *pirrua* over twenty years ago (...) but because of the same initiative, and other projects to do with arts and crafts, gastronomy and other stuff (…) people have started again, because the tourists ask for it (…) and we sell the things that are made, so (...) I say that people are mistaken when they say we shouldn't commercialize our culture." Tourism is thus, first and foremost, for the Chilean owner-managers, as argued in section 5.2.1, an economic means to improve their everyday lives and the cultural revitalization is, to put it that way, perceived more like a positive spin-off.

Thus, if we reflect these observations in the light of the fact that, for the Chilean owner-managers, the good life was perceived as an everyday life with better standards of living and access to modern commodities, as argued in section 11.1, it is relevant to ask why they are involved in a kind of tourism which obliges them to pretend and promote a simpler and more primitive way of life? What we thus eventually discovered was that whereas a focus on tradition, nature and authenticity were central elements of the tourism product that the Norwegian tourism owner-mangers on a personal and uncoordinated level have added, either from a deeper personal conviction or more pragmatically as a way to satisfy consumer demand, in the Chilean case the focus on "Nature and Ancestral Culture" at the core of the tourism product is an image or branding impulsed externally. It all started with Claudia N. who wanted to start up a campsite, but when she went to apply for funding at the Chilean National Coorporation for Indigenous Development (CONADI), she was told by the advisor that she should construct a traditional Mapuche dwelling, a ruka, rather than a cabin, since this would "give you far more opportunities to get guests because tourists want to experience something that is natural, you as Mapuche, like us." (Claudia N., recounts what the advisor told her). Later, the idea of doing indigenous tourism was, as described earlier, picked up on by the local NGO Impulsa. Claudia L., the treasurer of the local tourism organization, explains that: "Impulsa became very interested in us, most of all because of the innovation in Lago Budi, because this was an area unexploited in terms of tourism, and neither had the 'winkas'[164] got involved, only the Mapuche were around Lago Budi." On the question of who actually gave the tourism project the title "Nature and Ancestral Culture around Lago Budi", Claudia N. reveals that it was the local advisor at Impulsa who named the project. Claudia L. confirms this and argues that they gave the name to their local tourism organization: "It was Impulsa, they gave it the name, and we ourselves invented the name of our own organization Llilko leufu Budi." Pablo, the local advisor at Impulsa,

[164] Winka is pejorative term for white people.

confirms that they helped the Chilean owner-managers to consolidate and focus on ideas: “Impulsa helped them consolidate the idea (...) all the villages wanted to set up campsites to begin with (...) courses were held about how to do tourism. Each family was talked to about what they might do.”

Realizing that the focus of the project on ancestral culture and nature had been set in motion by Impulsa also helped to understand why environmental considerations - in terms of the ”nature” - part of the project’s title - were never a subject broached during the interviews with the owner-managers; nor were they an element that the owners brought up referring to their short- or long-term motives for having initiated the tourism business. Environmental considerations were, however, a motivation that the local advisor of Impulsa reiterated on several occasions during his interview: ”There was a lot of forest in the area here before. But because of traditional agriculture this had deteriorated bit by bit, there are now fewer species. The people working with tourism started to notice this. And tourism offers one the opportunity to appreciate the environment more.” Later he also argues that ”the sustainability of the project has three aspects, socio-cultural, financial and environmental (...) Environmentally one tries to improve the natural surroundings by preserving the diversity of species, by not overburdening Mother Earth”. It is thus possible to trace an environmental orientation in the approach to development that Impulsa and the local advisor advocated. The same orientation was, as argued above, also clearly mentioned by some of the lifestyle-oriented Norwegian owner-managers. Thus, we could argue that it is also possible to trace the tension between modernity and tradition in the empirical material through contemporary perceptions of sustainability, where traditional living is perceived as a more sustainable way of life, and where the needs of the present thus are met without compromising the ability of future generations to meet their own needs as well.

11.4 Authenticity as an external claim: the sweet and the bitter

As argued in section 11.2, the discussion about authenticity in tourism has a long tradition that goes back to Dean MacCannel (1976 (1999)) and his reflections about tourism as a search for the authentic, pre-modern and real (primitive). The core of the approaches of authors such as MacCannel (ibid.), Graburn (1989), Nash (1989) and Greenwood (1989) is that they “see tourism as the alienated modern’s substitute for the real thing, the authentic other, the pristine primitive” (Meethan 2001: 13). Linked to these approaches one may thus also usually find a debate about the commodification of culture. This debate has typically focused on whether the demand for authentic experiences is positive or negative for the local hosts, and what this implies in terms of concepts

such as meaning and ownership. Examples of negative impacts may in this regard be when the local culture is presented in such a manner so that the local inhabitants do not recognize themselves, or when tourism results in local conflicts about what is or is not the correct appearance or presentation of a given historical happening, for example. Some sceptics thus condemn popular or mass tourism and argue that tourists seek pseudo-events (Boorstin (1964 (1992)) or inauthentic or artificial experiences. Their view is that the commodification of culture implies a standardization and banalization of tourist attractions, and that the encounter between tourists and the local community is based on staged or false bases and hinders a real understanding between different cultures. Those that have a more positive view of the demand for authentic experiences highlight the revitalization of culture, economic development in rural areas and increased intercultural understanding as some of the possible positive consequences.

11.4.1 Cultural revitalization?

Cultural revitalization is often expressed as one of the main positive consequences of the claim for authenticity by tourism researchers, anthropologists and others advocates of indigenous and local cultures. However, what is interesting to observe is that although the authentic flair of the tourism project in Lago Budi, as argued in the previous section, was externally impulsed, several of the owner-managers have become more interested in their own backgrounds and ancestral culture through the project and the work with tourism, which is for instance visible in the fact that cultural revitalization, as argued in section 5.2.3, was expressed as a long-term objective by a number of the Chilean owner-managers. Thus, the focus is not only "pragmatic", i.e. based on satisfying customer demand, but has for some of the owner-managers also turned into a more profound interest in their own cultural background and identity: "We really liked the idea of our culture not vanishing, because here in the area around the lake culture was about to be lost. Great efforts have been made to revitalize our culture" (Claudia L.). Working with this kind of tourism has also impulsed the revitalization of indigenous aspects such as traditional cuisine, handicrafts, songs and dances, etc. as argued in section 5.3. However, the focus on cultural revitalization as part of the claim for authenticity is a factor also in part impulsed by external forces and the owner-managers have received extensive training in this respect. Javier N. argues: "I have been given different types of training from Impulsa and different organizations. Village tourism isn't mainly about making money, but about preserving one's identity as a Mapuche. The training was about our identity as Mapuche, what it was like before, what they worked with, how they talked. These were things I didn't know about my own culture. In addition, we had to learn a bit of tourism legislation."

It is thus truly relevant to ask whether and how the project has contributed to a cultural revitalization on a "deeper" level, i.e. in terms of identity and a sense of cultural belonging. Arturo is just one of the owner-managers who tells us that, before the tourism project, his indigenous background did not really interest him either on a personal level or in his position as a community leader: "I'm not a very old man, I'm 'somewhere in between', I was a leader before I started up with tourism, and I wasn't always there in terms of culture, quite distant. It didn't interest me that much. But when I got involved in this work with tourism, of course I had to be prepared because if the tourists asked me about something and I hadn't prepared the topic then I would be "damned" and wouldn't know what I'm supposed to answer (...) so this forced me to prepare myself, learn more about the cultural part, to do research, talk to the elderly, listen to them and get information from them (...) So I, yes, it's true that you get more revitalized, people start caring more about re-learning or re-creating their history, their culture, their language, everything." Both Claudia L. and Claudia N., as leaders of the local tourism organization, recount that the project has made them more proud of their indigenous background. Claudia L. argues: "Very few people dress like Mapuche nowadays, even the old women don't use *chamals* or *ikullas*[165]. Nor did I, but now there's tourism I felt proud of being Mapuche and so I put on my traditional dress as well." Claudia N. highlights that she thinks that the tourism project has impulsed her to recreate parts of her cultural heritage and also given her the initiative to motivate others as well: "So it's as if parts of our culture are about to be revived and so not be ashamed of being Mapuche. And the other people and the young are motivated to do this."

Pablo at Impulsa argues that he thinks that the project has contributed to strengthening the local culture, and Arturo also expresses some of the same beliefs: "Who knows what would have happened if it hadn't been for this work, the days pass, the years pass, and (...) the young leave the village and forget everything (...) So in this way I think - although many people say the work isn't good - that we're doing something good." Miguel, who runs a small campsite, is not convinced that the project has made any difference on a community level, but that it has had a positive impact on those families most devoted to the project: "Not culture as such, I think (...) but for some families in the project, yes. The ones who have worked most with the subject. But not everyone, the people who are not directly involved don't seem to have understood a great deal yet." Claudia N. is of the

[165] A traditional black shawl with blue edges worn by the Mapuche woman.

same opinion: ”Some families. Me, my brother, Claudia L. The families who have to. When we say to them that they have to dress up, they do so, including the small children, but there are some people you can't force. So there are some. Change has a price.” Claudia L. shares the opinion of Miguel and Claudia N. and argues that revitalization takes place first and foremost in individuals and families involved in the project, and that in general the process of cultural revitalization in the community is a very slow process and that whole families are often split in their level of awareness and interest: “It's going very slowly. Because there are families in which the husband is attentive and interested, but the wife isn't interested at all, and vice versa. But there are families who are totally involved in this, members we have.”

We could also argue that it is likely that those owner-managers who already had a more profound interest in their ancestral background might be attracted to the tourism project, such as in the case of Sergio, who has not yet received financial support for his business, but who at his own initiative has started up a Mapuche museum in order to prevent ancestral artefacts being bought up by foreigners. He tells us: “The gringos[166] paid well for this. The gringos came and took things back with them, I don't know to which museum in Europe. But now there's a law in Chile to protect antiques. I said, now we have to take care of this, because in ten years' time there may be nothing left. Some Mapuche deny their origin. But they can't deny it. When you see this, you can bring the past back to life. This motivates me. I think it's nice to have things from my great grandfather, my closest family, my neighbours, from people who were born and died on this island. It means a lot to me emotionally.” Claudia N. argues that, at an organizational level, they are also interested in educating and motivating the children: ”That's to say we're about to start reusing some of our forefathers' things to show them to the tourists, but also to show them to our children, that this is what was done. So that they can learn as well.” However, when asked how this works in practice among the member-families she argues: “I've seen that in some cases it is the families who motivate the children to take up their culture, but in other cases they just don't care.” Thus, as also argued in section 8.4.3, even among the families involved in the project, recreating one's ancestral heritage is not always in favour.

[166] Gringo (green go) is a ‘swearword’ used about ‘the white people’.

11.4.2 Commercialization: what's for sale?

While one of the main positive consequences of the demand for authenticity is believed to be cultural revitalization, one of the most negative is, as argued, claimed to be the commercialization of culture and artefacts. In this respect it is interesting to observe that this is also a topic in which the Chilean owner-managers have received extensive training and schooling, as is for instance visible in the unanimity of the owner-managers' responses when asked whether being involved in tourism implies commercializing their culture: "You can't sell it, no. There are things you can't sell like the *Ngillatun*[167], *Machitun*[168]" (Marcelino); "It's correct that you can't sell everything that has to do with the culture, for example a wedding, a *Ngillatun*, a *Machitun*, that's something sacred. But what's folkloric, yes. This helps one not lose one's identity" (Javier); "Because there is a private part to being Mapuche, like for exmaple *el Ngillatun*, *el Machitun*, maybe other things like (...) there are about four things which are private and which the Mapuche cannot show, because they are our own" (Claudia N.). In this last statement, it is interesting to note that Claudia N. actually has some trouble remembering two of the four cultural elements that are not "up for sale". On another occasion, she remembers a third one: "*El Ngillatun* isn't sold, *el Machitun* isn't sold - what else was there that isn't – oh yes, *el Llellipun*[169] (...) because these are things which are private to the Mapuche, they can't be sold. Someone who isn't Mapuche can go, but taking pictures isn't allowed nor is ridiculing it (...) because this is sacred to the Mapuche, because if you bring a camera to take pictures or make a video, afterwards you can make money out of it (...) We Mapuche don't want that. We want to show what can be shown and what can't be shown, can't be shown." She adds: "Yes, we're very aware about that part and we are careful about selling our culture. We can use the language, there's no reason to be ashamed of our language. But there are private things in Mapuche culture and these you can't sell. Neither can one negotiate about them, never." Arturo also explains that the crux of the matter is knowing which parts of the culture that can be commercialized and which parts cannot: "We must know how to distinguish between which parts of our culture we can share with visitors, or commercialize (...) and that's what we do today, we say to the visitors that the most delicate, the most vulnerable part of our culture, we can't share that with you, the spiritual side, such as *el Ngillatun*, *el Machitun*, *el Mafün*[170] and other stuff. Which are sacred to our culture.

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[167] The Pillan is a powerful and respected male spirit in Mapuche mythology. The Mapuche perform an annual Ngillatun ceremony for the Pillan, for the latter to grant benefits to the people, and to thank them for their gifts.

[168] A cleansing ritual conducted by the the Machi woman.

[169] Llellipun is a Mapuche ceremony or ritual, where the relationship with the spirits is renewed. It is a part of the Nngillatun and in some places in the South sinonomous with the latter.

[170] Mapuche wedding ceremony.

This we cannot sell. But we can commercialize the music, gastronomy, arts and crafts, sports and some stories."

Another interesting observation in relation to the above is that when asked why some of the other Mapuche-Lafkenche who are not involved in tourism accuse them of selling their culture, the owner-managers often say that "the others" lack formal training and schooling: "We are confused, our people are confused. They say: 'they're selling the culture', I've heard this repeatedly. But of course, people lump it all together. They don't know how to differentiate. Why not? Because we're not prepared, schooled in this, because it's something new. And they are right, us who run these initiatives, we need to have patience, be more careful and think that in the long-term people will get an education and accept it" (Arturo); "Yes, many people say that. But they are the ones who don't understand (...) They are not schooled in it like us, they have another way of thinking" (Mario).

When Pablo, the local advisor at Impulsa is confronted with such similar answers, he admits that commodification and commercialization of culture are subjects that they have worked a lot with in relation to the project: "You also need to know what you can share and cannot share with others (...) we've worked a lot on this with the families. Some people in the group quickly understood that tourism can lead to the culture being destroyed, that it can lead to one changing or forgetting one's culture. We talked a lot about the fact that close contact with tourists from abroad must not destroy but strengthen the culture. So things to do with religion are not included in tourist activities. Because religion is something much more personal. And if they understand this, that what they have to show are toys, traditions, customs, the language, but not things to do with *machitun* (…) not Mapuche funerals or weddings, these things are too private, and it doesn't feel right. They've understood this, although it is difficult. Because many people said that the tourists would like it, but others said we can't give them everything they like. Of course tourists are interested in everything, but the local population must decide itself what to give them. I think we've discussed this thoroughly." Thus, what we can see is that it is actually Impulsa and the local advisor, who as argued in the former section have their own local development agenda and ideology, that have determined which parts of the indigenous culture and heritage may be commercialized and which may not. And although several of the owner-managers would in fact like to be able to commercialize also the more "sacred" parts of their culture, they are in most cases very concerned about complying with the Impulsa's guidelines. Claudia L. and Claudia N. thus indicate that Impulsa's decision-processes might not be as democratic as Pablo indicates above: "It's always

been the case that Impulsa decides a lot"; "Impulsa has always given the orders, decided". However, not only Impulsa is concerned with telling the Mapuche how they should administer their cultural heritage. Christina Brandt at Indap also has very clear opinions about such matters: "This is a theme which is rather complicated, the ethnic theme (...) what should be shown and what should not be shown. It's rather complicated (...) The religious side is separate, it's something (...) very intimate. It's like as if we were to sell (...) or that here in town we were to sell a religious ceremony in a church. This should not be done, but nevertheless some people do. There are people who do these ceremonies and get paid for it. That is wrong."

Clearly, what we thus seem to be experiencing is that among the local and regional advisors involved with indigenous tourism in Chile, or at least in this part of the country, there seems to exist a rather romanticized vision of the indigenous cultures as "the last survivors of the good life" and that they need to be protected both from "violent" external influence and not least themselves in order to keep their culture as pure, authentic, pristine and primitive as possible. Not all of the indigenous owner-managers "buy" this discourse, for as Paula, for instance, points out: "I think that people who talk like that, it's a false assumption by them (...) because I have observed so many things and this is the way I have learnt, and now I am observing a great deal of what is going on with the Mapuche (...) and to avoid commercializing we had to carry on as we had been doing." Paula thus points out the fact that the demand for them not to commercialize their culture implies their having to remain static and in poverty. Furthermore, she also point to the contradicts present in such a view since, as she argues, they obtained financial support for their projects - from the same bodies – for the very reason that they were willing to commercialize their ancestral culture: "We have been favourized in these projects and if we hadn't dressed up as Mapuche, and things like that, we wouldn't have been favourized (...) If we hadn't dressed up, or had gastronomy with typical food there wouldn't have been projects (...) so thanks to our culture we were favourized (...) and the projects **were won** because of this. And now they can't say, condemn, that we don't want to commercialize our culture or us as Mapuche. They can't, the 'damage' has already been done." Furthermore, Paula argues that the discussion about commercialization is somewhat misfounded since the culture, as she puts it, had already been commercialized long ago, for example by the use of the Mapuche as icons or examples in the national media or tourist campaigns. She goes on: "I've seen the very same people who say we don't want to be commercialized, they are often in the newspapers themselves, they are on the internet with their pictures." As argued in section 11.1, Sergio is also upset about those that argue that they are commercializing the culture by starting with

tourism, and illustrates the fact that the claim for authenticity is a romantic ideology detached from the reality: "There are some leaders who have not suffered as we have suffered. They have studied at the big universities in the capital. I took a technical education in Puerto Saveedra. They didn't walk barefoot to school. They went by car to school, to university. That is the difference. Intelligent people notice their falseness. Common people follow them, but the intelligent ones don't believe them (...) It's easy to study at a big university and then return and try to be like Simon Bolivar (...) Because a Mapuche lives here all year round, he doesn't come here just in the summer when there are good roads, cars and all that. They are the ones who don't like village tourism (...) That's the difference." Furthermore, he argues that being a Mapuche is not only about what you wear or how you act, since the culture is something that you bear inside: "I don't think you lose any of your culture, you could be in the USA and still be a Mapuche. But you shouldn't come from outside and try to change the culture. That's something I dislike." However, as this is precisely what happens in Lago Budi, what are the implications? In the following section we will look more into what might be the outcome when different developmental institutions and agents have their own perceptions and "private" agendas about indigenous (tourism) development, but might nevertheless lack financial resources, knowledge and experience.

11.5 Having an agenda, but a lack of knowledge and experience

From Impulsa's side, the tourism project was from the very start a means to try out strategies for local development and to improve the standards of living of the Mapuche-Lafkenche population (Impulsa 2002) and not a means of cultural revitalization as such. It thus becomes relevant to ask how and when the "authentic orientation" of the project appeared? Although Impulsa in its orientation towards development seems, as formerly argued, to be inspired by the philosophy of the sustainable development paradigm, the process of planning and implementing the project illustrates that there is often a vast gap between theory and practice, and that a claim for authenticity often ends up as a pragmatic frame, which instead of contributing to the pro-poor development of a given local community might result in stagnation and provoke a number of inconsistencies and conflicts.

11.5.1 Project development: inconsistency and a lack of professionalism

In section 10.3.2 we saw that one of the main conflicts that the owner-managers have with Impulsa and the local advisor takes the form of a discussion and evaluation of the authenticity of objects, more precisely the physical infrastructure and especially the rukas in the project. Christina Brandt tells us that Indap received an application for money for the tourism project by Impulsa, but that she

as the advisor rejected it, primarily since it was located in an area in which Indap was not operating at that time and, secondly, because of what she felt to be an inauthentic profile or image of the cultural heritage of the Mapuche-Lafkenche people: "We also received an enquiry about a project which came via Impulsa, and arrived on my desk. But there were elements in it with which I disagreed, most of all to do with the architectural style, the types of buildings which were to be constructed. People come here to acquaint themselves with the most primitive, preferably rukas (...) and they built things in pine, which isn't original, and with a zinc roof. This had absolutely nothing to do with the original. And they are nice, they've tried to give them the shape of a ruka, but it is not primitive, it's already development. And one doesn't want to see development in what is the most authentic. So we're about to decorate Lago Budi with a bunch of buildings that are different from the real ones, almost only for tourists, and (...) this is the impression that people from outside are going to leave with, that it's always been like this. No, they want to see old things, so if we have a ruka in some areas, keep that ruka, remodel it, put new hay in it, do it up, but keep constructing rukas. I'm a real fanatic about rukas. I love rukas. In this project they made buildings in the shape of a ruka, but in pine and with a zinc roof."

Santiago Raby, who is the leader of Sernatur's office in the ninth region, highlights that the project is just one of a number of similar cases in the region where there have been a number of problems in relation to the planning and implementing rural and/or indigenous tourism projects: "So it's been really, really bad. It might now be on the way to a new stage, perhaps, much better evaluations are done, even though there is a lot still lacking. First and foremost, how to plan a tourism project generally, and the biggest mistake, one which the Lago Budi project also made, is to start backwards: starting with marketing and creating products before any planning. And that's no good. It has been noticed for example that in some cases the planning was sidelined, like in the case of a woman for whome they'd made a cabin so she could display her arts and crafts, but what she produces isn't enough to fill even one of the walls. So it looks really empty, it looks like there's nothing there, etc. Or another woman, they were going to make a restaurant where she could serve traditional food, but they made a 'minimal thing' where there was hardly space for three people when she in fact needed something bigger. Or for example they have built a cabin which had the world's best view of Lago Budi but they just hadn't put in any windows overlooking the lake. Why? Because the ruka has an exit to the east and (....) There are thus criteria there which haven't been well worked through." Raby also adds that these circumstances would not have occurred if Sernatur had advised the project: "Well, that is the problem, Sernatur hasn't been an advisor there,

not that Sernatur ‘knows everything’, but it is the state body with the most experience of tourism (...) and I’ll tell you this, if these conditions had been discussed with Sernatur, they would most likely never have occurred.”

However, the fact of the matter is that Sernatur’s office in the ninth region was indeed involved in the project from the very beginning in 1996, as also argued by Miguel in section 10.4. Sernatur was involved in three workshops with the local entrepreneurs in 1997, and in fact in 2000 they were the ones, together with Impulsa, that made the “tourist product design” given the name “Nature and Ancient Culture in Lago Budi” (Impulsa 2002: 11). However, what seems to be the case is that Sernatur was not that present in the project between 1997 and 2000, and that it was only in 2000 that the owner-mangers were given an *enfoque común*, i.e. a joint authentic focus, basically as a marketing gimmick. However, at that time the first buildings were already long overdue. Claudia N. and Miguel had started their constructions in 1996-7 and in 1999 architectural students designed the physical infrastructure of the rest of the tourism project: “To make the drawings we had a meeting with Programa Servicio País and we applied for students of architecture to come here” (Pablo, the local advisor at Impulsa). Thus, the majority of the ‘new’ constructions were initiated shortly after (Impulsa 2002: 11), though the joint focus of ”Nature and Ancestral Culture” was yet to appear. What seems to be the case, we could argue, is that although Sernatur was involved in designing the touristic image of the project, it was not involved in the factability study or the architectural design, and that the different developmental stages seem to have occurred in a rather disintegrated and ad-hoc manner. Santiago Raby argues: ”Often public bodies (ed.: referring to institutions like Indap) believe that tourism is something everyone can do (...) That professionalism is not necessary in this regard. And this is completely wrong. There are millions of factors which not just ‘anyone’ is skilled in. So, like in this case, most often public bodies develop their projects and when, so to speak, they are ready, they then come to us to ask for help, for example because they don’t know how to market them. But then they have already jumped over the whole planning process with no help from us. That’s what I’ve seen, in any case. And this is a mistake which is often made unfortunately. I hope that (...) well, we at least have said publicly that we don’t think much of these public bodies which are not experts in tourism involving themselves in projects and that only when they are ready do they come to us to ask for help. That’s no way to work.”

11.5.2 When development is an ad-hoc process: fragmentation and authentic reawakening

The project report from Impulsa (2002) shows that a number of different institutions have been involved in the project along the way (Impulsa, Sercotec, FOSIS, Servicios País, Sernatur, Fundación Andes, CONAMA, Conadi, cooperation Bilance (today Cordaid), Fondo de las América, to mention a few), and it is actually a challenge to keep track of which institution has done what, at which point in time, financed by whom, etc. Thus, in order to understand why the process seems to have taken the form of "muddling along", we have to understand how the project came into being in the first place. In 1995 the Chilean foundation Superacion de la Pobresa[171] came to Lago Budi with its programme Servicio País, through which young professionals gained an opportunity to work in the poorest and most isolated communities of the country. At the same time the programme Impulsa by FOSIS also came to the area (see section 3.1.2.2) and eventually some of the young men that had worked with Servicio Pais linked up with some of the people working with Impulsa and they created the NGO Impulsa: "One body which has helped us a lot here is an NGO, Impulsa. First it was Servicio País, and they linked up with Impulsa, and the same guys stayed and worked with Impulsa here" (Claudia L.). Thus, we can see that the project was developed by young men who came more or less directly from university and probably had lots of good ideas and theories about sustainable development and pro-poor strategies, but with little practical experience. Thus, what we observe is that the focus on an authentic appearance has developed gradually. This is e.g. visible by the fact that when Claudia N. started with tourism, she was not going for an "authentic look" she wanted a typical touristic campsite: "Because you didn't understand the topic, so you say yes I want this, but afterwards the study comes and (...) I didn't understand the whole process." However, when the touristic design of Senatur's project with its focus on "nature and ancestral culture" came into being, the owner-managers had been given training in cultural awareness and they liked the idea of the authentic flair, so they also started to ask questions about the inconsistency of part of the infrastructure as argued in section 10.3.2. Christina Brandt, thus, with reference to the story of Claudia L. and her fight for an authentic Ruka comments: "When I saw her, she was making her ruka with great ease, and afterwards I think she got trained and realized that it wasn't that kind of ruka she wanted." Referring to the seven new members of the local tourism organization who are waiting to have their projects financed, Claudia N., the leader of the local tourism organization,

[171] Fundación Nacional de la Pobreza was established in 1996 as a private foundation, but stems from the "Consejo Nacional para la Superación de la Pobreza" (National Board for the Elimination of Poverty) established in 1994 by the first "Gobierno de la concertación" (concertation government) (see www.fundacionpobreza.cl), last accessed 21. February 2006.

argues: ”If I’m still leader if and when money starts coming in to these seven, then my idea is that they must take the culture into consideration. That this may ‘cost’ them a bit, let’s make an effort and use straw and hay. That it costs them a bit like it’s cost me (...) Some people have a tendency to be lazy and don’t want to put in a bit more work. But why then does the title say ‘ancestral culture’? It would be better if it didn’t!” What we thus observe is that “authenticity” both as a touristic appearance and as cultural revitalization has been introduced and internalized gradually, and that today especially the leaders of the local tourism organization are concerned with living up to the project’s touristic image and that they, as argued in section 10.3.2, are frustrated with the local advisor for not complying with the authentic flair that he himself together with the regional office of Sernatur invented: ”And this title says and means a lot, but then afterwards he himself goes against the title, so (...) he’s not that good a friend of mine because I say what I think. I always say to him: ‘You are an advisor and we must obey’” (Claudia N.).

11.5.3 Current situation: a little bit of this, a little bit of that

Currently, the physical infrastructure is, as a result of the above described process, a hybrid of traditional and modern elements. Christina Brandt argues that the tourism initiatives clearly illustrate the different stages and ad-hoc development that characterize the process: “And Miguel, he has a big ruka, he has some breezeblock lavatories and another construction made of wood. These are three different projects all jumbled together in the same area. And the three have absolutely nothing to do with one another. Of course, I’m not saying the lavatories are no good, they are, but (...) put them somewhere else where they can be covered with some straw or – I don’t know – something from the surroundings that can make it look more natural. And then there’s the other building which I think he wants to use to serve food and the ruka for arts and crafts, for example. And it’s an enormous ruka. So it’s quite disorientating.” She argues that the situation is the same at Claudia N.’s place: ”I was at Claudia N.’s, I was there five years ago, they put up a ruka without any kind of pre-study (...) Because of the high water table she couldn’t have a caravan there or a septic tank, and a chemical toilet by the ruka, well these two things clash totally (...) ugly, awful. So the ruka had to be used for arts and crafts and nothing else.” Through her discourse she thus also provides a somewhat different version of why the Claudia N.’s ruka, as argued in section 7.3, was transformed from a ruka originally planned for overnight stays to a ruka for the exhibition and sale of handicrafts. Furthermore, she argues that “there were some people who criticized Claudia N. for having electric lighting in the ruka. But it was someone else, I don’t remember who. To me it looked like an unbelievable clash the first time I was there, the white electrical installation,

something like that, the cable and sockets. But there is solution, if she needs to have electric lighting or an electrical installation, for example for someone who wants to make a video or such like, but it ought to possible to hide the installation and cable better." She argues that in the case of Claudia N. the above controversies could be fixed easily but that it would be so much better it had been done right from the start: "So there are things we can do a little better, change small things, but imagine if we could do it straightaway, so that we don't have to change it twice." We can see here that Christina Brandt, as well as Sebastian Raby in section 11.5.1, would like a more holistic and long-term envisioned approach to indigenous (tourism) project development, while at the same time recognizing that it seems to be a difficult task.

11.5.4 Change of priorities, fierce competition and the lack of a long-term perspective

The centralized, top-down power structure in Chile as discussed in section 10.1.1 also clearly affects tourism plans and developments at the regional and local levels: "Due to the government changing at the moment, which future decisions will be taken still has not been established. What will the new line be. The new director is at meetings in Santiago, and I don't know what he will come back with." Christina Brandt at Indap would thus seem to be indicating that priorities and plans change according to political changes at a central level and that new directors often shelve or sideline earlier plans and priorities: "When the **previous** management was changed, this was somewhat sidelined (...,) and work started only on the mountain area (pre-cordillera), in cooperation with Sernatur, Fosis, and others, but the work which was going on with initiatives around Temuco has been sidelined (...) this was as I told you the **old** management. And now with the **new** management I don't know what it will be like (...) I hope to get the chance to get my head round this." Thus, what we can see is that Christina indicates that there have been three different directors or boards of directors over a period of approximately the last ten years. While the **old** management focused on indigenous tourism in the areas around Temuco, the **last** management concentrated on the mountain area, and she does not know what the **new** management will return with from Santiago. Santiago Fernandéz at Sernatur's office in the ninth region indicates how having a new president also implies changes in regional policies *and* public administration: "From 2000 we find a new regional development strategy, as the president and the administration of the region were changed." He tells us that indigenous tourism was an area prioritized throughout the last half of the 1990s, but that this focus changed when the administration was changed: "Afterwards a new administration came into being and developed an agenda for the development of tourism in Chile consisting of fourteen points, including a cultural aspect, but it is not given such great significance."

This also corresponds to our observations made in section 3.1.1.2 of the development of the Chilean national tourism strategies.

Thus, the implications of this political model are that long-term planning at the regional and local level is an almost impossible task; which again helps us understand the difficulties experienced in connection with the somewhat inconsistent and fragmented development of the Impulsa tourism project as discussed in the former sections. Mosovich Pont-Leizica (1997) argues that unless the political parties democratize their institutions and start to implement a bottom-up approach, and as long as central government decisions continue to carry incontestable weight, "the hardships suffered to attain the country's regionalisation and decentralisation will have been in vain" (p. 215). Thus, in May 2005 the Chilean government presented what has been described as an extensive reform of regional governance. One suggestion in the reform is to repeal the requirement of the Constitution of 1980 that one must have resided in a given region for at least two years prior to appointment. The argument employed is that this requirement stops the president from being able to choose intendants and gubernators from his most trusted men (SUBDERE 2006). In this sense it is legitimate to ask whether the reform will actually benefit the rural areas in Chile and the everyday life of the tourism owner-managers, since the tendency would seem to be towards further centralization, not decentralization. It is thus also, with reference to the discussion of the role of the NGOs at the local level in southern parts of Chile in the era after Pinochet, interesting to observe that on the Chilean state's organizational chart the municipal level is separate from the rest of the power structure (Gobierno de Chile 2006a).

All the democratically elected governments since the authoritarian Pinochet government have thus had to face pressure to maintain growth rates and a commitment to the profit- and project-oriented developmental model of Pinochet, and the privatization of public goods and services at the local level as argued in section 10.3.2.5 was not changed after democratization. The NGOs, which had been such central actors at local community level in the southern part of Chile under Pinochet, continued as intermediates but their role changed significantly, now entering a service role, either as parts of programmes for technology transfer or by holding technical training courses. While some of the NGOs thus carried on going it alone, others applied for state funds or cooperated with the government, while yet others sought external aid to finance their activities, for instance via indigenous development programmes. Furthermore, many former NGO professionals were given central positions within the new democratic government and came to play vital functions in the

creation of its policies; in addition, a number of organizations and agencies emerged under governmental umbrellas which were created as key institutions to implement the government's international and socioeconomic programmes. One of these institutions, which is still in operation, is FOSIS which as argued in the former sections has been a central financial source for the development of the Impulsa tourism project. According to Lambrou (1997), FOSIS was established as "an instrument for the government's approach to investment in socio-economic development through NGOs and community organisations" (p. 110). Furthermore, Lambrou argues that even MIDEPLAN (The Ministry of Planning and International Cooperation) which is still also functioning was designed to "coordinate networks of international cooperation with government agencies and NGOs developed after 1973" (ibid.).

The competition between the different NGOs for survival however became much fiercer after the reestablishment of the democracy, and Lambrou puts it this way: "it certainly was a new world, when the above agencies led by capable ministers, assisted by ex-NGO professionals, took over the NGO and donor agency universe. There was immediately competition for access and influence to ministers, competition amongst NGOs and competition with the government agencies, such as FOSIS, for external funding" (p. 112). On this background it is thus also possible to understand the lack of coordination and cooperation between the different institutions involved in tourism development in the ninth region, and why e.g. Impulsa does not cooperate with Indap as observed in the former sections, and which Christina Brandt, when asked about this situation, explains in the following manner: "They are independent and so are we, so..." Sebastian Raby, the director of Senatur's regional office, argues that they have very limited budgets (e.g. no money for regional marketing) and that they thus in the end are heavily dependent on other institutions for financial support and cooperation: "The problem when it comes down to it is that Sernatur does not have the money to develop tourism. INDAP, Sercotech, Corfu, and other institutions have this money. And so we depend on them and sometimes they do what they like. That is the problem." However, such "independence" and competition combined with the formerly described distrust among people and institutions hamper cooperation and also thus highly affect the development of the regional tourism sector: "It is difficult because what happens when you ask the different bodies whether they are going to contribute resources to something you are doing, there's no mentality here of 'together we can do something better'. No, right away the other institution will think, 'why should I give money to another one so they get all the kudos?' Unfortunately this is still the mentality of public bodies, although there are exceptions, but rather few". Raby argues that the same tendency exists in terms

of sharing information: “Many of these institutions that get involved in tourism don’t want to share their data. Because they think that Sernatur will take over the data to become more powerful and make them a part of us (...) I completely oppose the mania which exists within public bodies for hiding all information. This also happens within Sernatur itself (...) it is truly idiotic, like gathering power through information (...) Officials feel they have power by having information which they do not pass on.” Thus, in Chile information still serves as goods or assets that can be traded in exchange for influence, power and access.

Santiago Fernandez, who works at Sernatur’s office in the ninth region and has followed the development of tourism in Lago Budi from the very beginning, argues in line with Christian Brandt that each institution may have its own objectives and indicators and that there are no national guidelines for the development of projects: “They go through all these systems/the institutions and there’s no order or orientation (...) because if Sernatur, for example, says to Sercotec or to La cooperación del foment, focus or invest here (...) then they have other goals or indicators and they sometimes do it and sometimes not. So...” Furthermore, the fact that the development of the area involves a vast array of individuals, public bodies and others implies extensive efforts to coordinate and an extensive bureaucracy, as identified in section 10.1.3: “There are many voices involved and (...) loads of meetings and what gets done?” Santiago Fernández argues that as a result, many plans remain only on paper: “In 1998 cooperation with CONADI was initiated in the region and the idea was to start up some tourism projects. Cooperation was carried out here in the region because the national leadership of CONADI is in this region. And here was where we started the dialogue. There was an agreement, cooperation for Chile. But unfortunately, also because of problems to do with implementation, operation, this cooperation remained only on paper.” Christina Brandt argues that for developmental programmes to work, clearly defined roles are needed: “They must be responsible for each specific function. Each institution must have clearly delimited areas of responsibility.”

Although all the tourism agendas and policies during the last decade in Chile, as argued in chapter 3, have pointed out the need to have better cooperation and coordination between private and public institutions and even within the public institutions themselves that are involved in tourism development in Chile, little has changed. Santiago Fernández accordingly highlights that the administrative organization of tourism in Chile and the fact that Sernatur does not have the authority or legitimacy to gather together the different public institutions involved in tourism is

quite problematic: “Because it doesn’t have a ministerial level which allows it to gather together the various public bodies that are involved.” Sebastian Raby, leader of Sernatur’s office in the ninth region, points out the same challenge: “Unfortunately Sernatur cannot force anyone to do anything. Unfortunately (...) And it is this which has also allowed so many institutions to develop tourism projects without having the necessary knowledge. Sernatur does not have the power to order for example that various forms of accommodation should meet a range of requirements, this and this and nor as far as tour operators are concerned and even less so in terms of other institutions. If for instance there had been a standard saying that Sernatur, when a public body was to implement a tourism project, should get information and could approve it, but no such standard exists.” Raby thus argues that the current development model and public policies are quite problematic: ”Many institutions, without having the necessary knowledge about tourism – and even less idea about ethnic tourism – have implemented projects which go under very quickly. And with the result that the Mapuche villages get disappointed and lose faith in tourism. Let me put it to you this way, if they come to you and offer you – how shall I put it – ’gold and green forests’ and after six months no-one comes, never ever, that’s a very serious problem because it is obvious that the goodwill the villages had to become a part of a new Mapuche tourism project is no longer the same.”

Lambrou (1997) thus claims that the NGOs in Chile have become less altruistic, more pragmatic and that the romantic devotion to altruistic causes found during the Pinochet era has given way to a middle-aged pragmatism that seeks efficiency and results in areas such as the environment which needs urgent and new solutions. The NGos she claims have as argued in section 10.1.1 become lobbyists, and in some cases opportunists. Lambrou argues that some NGOs and particularly smaller ones in Santiago “have forsaken their anarchist revolutionary ideas, and are now simply executing projects regardless of the ideological slant” (p. 116). Within this frame, it is thus also easier to understand the somewhat pragmatic ideological orientation of Impulsa towards the authentic part of the tourism project, as argued in section 11.3.

11.6 Summing up

The main aims of this chapter have been to:

a) illustrate that what we at the beginning of the chapter labelled the "tension between tradition and modernity" manifests itself in a variety of ways in this dissertation, and;
b) that we by building on this tension as a frame of reference could extend our understanding of the challenges and constraints that particularly the Chilean owner-managers face in their everyday lives.

We have argued that in the era of tourism as a catalyst for rural development the spatial division between rural and urban areas is enforced, and that rural areas, Tinn and Lago Budi being no exceptions, are putting huge and conscious efforts in improving, establishing and changing the sense of place by selling images of rural areas and societies as havens of "the good life". Furthermore, we have also argued that these representations have their more sublime offset in two central and connected myths about modernity. The first is related to the myth of urban societies as *Gesellschaft* societies, while the second is related to the belief that social changes like industrialization and urbanization represent a decline in the character of society. In this sense, the marketing of rural areas under the overall label of authenticity with its reference to traditional and pre-modern life and unspoilt nature is a rather logical consequence.

By applying the frame described above, we also discovered that all of the lifestyle immigrants to Tinn had moved to a rural area in search of "the good life" and as a contrast to an urban everyday life that was felt to be stressful, alienating and increasingly meaningless, and that tourism first and foremost was thus perceived as an economic means to maintain the "new" rural lifestyle. We also discovered that most of the owner-managers that were originally from Tinn perceived the good life also to be a rural life and that many of them, again, had initiated tourism in order to be able to continue living in Tinn. Although we could notice a certain attraction to a traditional lifestyle in several of the Norwegian owner-managers, the situation was the other way around in the Chilean case. For the Chilean owner-managers the good life was perceived as an everyday life which allowed a better standard of living and access to modern commodities like electricity, education and technology.

The tension between tradition and modernity has also been present in a number of other ways in the chapter, such as in terms of an ongoing discussion about what is an authentic representation of a given cultural heritage artefact. For example, we saw in section 11.5.1 that the advisor of Indap, Christina Brandt, initially denied financial support to the tourism project in Lago Budi due in part to what she felt to be an inauthentic presentation of the traditional rukas. Within tourism, the discussion about authenticity has often centred on two levels: first of all in relation to objects that one seeks out during travelling (e.g Stonehenge in England); secondly, to tourists' own experiences in their encounter with "the other" (other cultures, places and people). According to Wollan (2001), this forms the basis for a division between objective, constructivistic and existential authenticity. The discussion about *objective* authenticity takes its point of departure in the world of museums and is related to a discussion and evaluation of the authenticity of objects, as with the rukas discussed above. The challenge is thus related to how and by whom the "original" or "real" version of an object can be judged and what is a reproduction or forgery (see e.g. Littrell et al.1993)? In this context, Trilling (1972) argues that objects which are not produced for sale or for a market are authentic, i.e. the objective of commodification must be absent. In such a case, Stonehenge in England would be authentic, but not for example the rukas since they are reproduced as tourists attractions. MacCannel (ibid.), referred to above, does not interpret authenticity so strictly. He distinguishes between, on the one hand, museum collections where experts might interpret objects as part of a greater whole, and on the other hand, representations understood as a consciously reconstructed totality or authentic copy, which are meant to provide more easy access to understanding and identifying with cultural heritage. In this context, MacCannel argues that it only makes sense to talk about "authenticity" when the first copy is produced. In his understanding, the rukas will thus be an authentic copy in order to ease the understanding of the cultural heritage of the Mapuche-Lafkenche people.

Both the objective and the constructivistic understanding of authenticity, which we will return to later, focus on the meeting with "the other" in the form of either objects or symbols. When it comes to the more *existential* understanding of authenticity, the claim is that when authenticity is attached to experiences that people might have, it becomes a potential being and an existential longing, as presented by authors like McCannel, Nash and Graburn. We can see that in relation to the above discussion regarding the myths of modernity and rural areas as representations of the good life and the discussion about the commodification of culture, it is the existential authenticity that is at the centre of attention. One of the origins of the commodification discussion grew out of observations

of the arts and crafts of native peoples (the people of "the Fourth World"), where artefacts that were formerly made for religious, ceremonial or practical purposes were later produced for sale. Graburn's (1976) edition of anthropological writings regarding changes in native people's arts, the loss of symbolic meaning, identities and the commercialization of cultural traditions is one of the most comprehensive statements of this type of impact. As revealed by this chapter, these themes have also played a central role in this dissertation, for example they are visible through the discussion in section 11.4.2 regarding which parts of the Mapuche-Lafkenche culture that could or could not be commercialized, and the extensive schooling of the owner-managers in this regard.

The discussion and debate about traditional ceremonies, festivals and customs which lose their meaning and acquire a new status and values when they are transformed into prearranged entertainment rituals have been another highly debated theme in tourism, and one that has been a central turning point also in this dissertation. We have on several occasions, e.g. in sections 8.4.3, 10.3.2 and 11.2.2, seen that the staging of events for the tourists has led to a number of conflicts and discussion between the owner-managers in terms, for example, of members that are not willing to dress up in their ancestral clothes, others that do not want to do the traditional dances in front of the guests or resist participation for reasons that are not known or understood by the leaders of the local tourism organization. Mathieson and Wall (1982) argue that such staging is a replacement for a lack of real cultural experiences, just in order for tourists to 'view and experience cultural aspects of host communities' (p. 172). This discussion is also related to MacCannel's (ibid.) terminology of "staged authenticity" and the "front-back" dichotomy, where the "real" everyday life of the hosts is found "backstage", and is an everyday life which might be very different from the more exotic or perceived authentic everyday world presented on stage in front of the tourists (see also Boorstin 1961). Mathieson and Wall (1982), however, represent a more balanced view arguing that the staging of cultural attractions can also have positive as well as negative consequences, as this might lead to a revitalization of traditional customs and arts and also to a sense of cultural pride and self-esteem. In the case of the Mapuche-Lafkenche people, we have seen that a certain staging is taking place, e.g. when it comes to dressing up in traditional clothes, dancing for the tourists, etc. as discussed in section 10.3.2, but that the tourism project has also contributed to a revitalization, a sense of cultural pride and increased personal self-esteem, at least in some of the most active owner-managers (see e.g. section 11.4.1).

More recent researchers, like Meethan (2001), argue that the commodification by tourism appears long before the actual contact between tourists and hosts and that it occurs at two different, but highly interrelated, levels. The first relates to the marketing of a destination or culture through images or descriptions, for example in brochures or on the internet. The second level, Meethan argues, relates to the tourist experience, taking place in host destinations and cultures. Shaw (2004b) argues that the two levels are strongly interrelated as "they share the same spaces and that many tourists are attempting to live out the dreams created by image-makers" (p. 166). In the context of marketing, we have seen in section 11.2.2 that in both destinations the tourists might arrive and expect to find the owner-managers dressed in their traditional clothing. In both cases this of course has to do with the images that the tourists have of rural areas and indigenous cultures from their upbringing, etc., but it certainly also has to do with how the places are marketed. A glimpse at the website of Theodora, who recounted her experience with the Swedish tourist, shows that the page is replete with the typically authentic image of Norwegian cultural, natural and mythical heritage, such as trolls, *rosemaling*, lots of "unspoilt" nature and traditional folk music (such as the *Hardingfele*) playing in the background.[172] Theodora also tells us that most of the foreign tourists find her through the internet, so in this respect we could argue that it is understandable that the Swedish tourist expected to find her in her *bunad*, the Norwegian national dress. How is he to know that such clothes are totally unsuited for working (they are very hot and heavy) and that they cost a fortune and have to be looked after as one would treasure? In the case of the marketing material of Lago Budi we can see that the same type of authentic imaging is in focus.[173] The pictures and texts centre around a perceived traditional indigenous way of life, with Mapuche-Lafkenche people in their traditional clothing and using traditional instruments, on the lake in their traditional canoes, pictures of pristine nature, etc. In this respect it is no wonder that the tourists arrive asking "where are the Mapuche?"

In general we could argue that both marketing designs provide a very romantic and idyllic image of rural everyday life. In this context Sørensen and Nilsson (1999, see also Kirshenblatt-Gimblett 1998) argue that the images of rural areas and societies as places with tangible and unique qualities are an increasingly imagined or "virtual" reality, "a rural utopia where visitors may escape from the present into an 'authentic', nostalgic past" (Sharpley 2004: p. 377). Cohen (1988) among others thus argues that "the authentic" is not a given format, but has to be understood as a social

[172] An interesting observation in this context is that the homepage has been made by a German man living in the area.
[173] See e.g. Lago Budi, www.lagobudi.cl

construction of reality that needs to be understood symbolically. This implies that the same event or object might be understood in different ways depending on human experiences and interpretations, or their social practice in time and space. In the light of this perspective, there is no absolute or static original which is authentic, because interpretation and experience are understood as a social process. Crang (2003: 76), referring to Hughes (1998), argues that "tourism takes dreams and myths and inscribes them on to places; in other words it spatializes social meanings." Thus, in this context "rural or indigenous life" becomes abstract and socially constructed concepts created by myths and fantasies "out of the ordinary" (Shaw 2004b: 166). The creation of images for tourism purposes is thus an increasingly important topic in contemporary rural societies and everyday life since, as argued by Lanfant (1995), "tourist promotion is becoming a universal model for development." (p. 3).

Furthermore, in selling rural areas or indigenous cultures under the overall label of "authenticity", the complexity of contemporary rural everyday life is commodified and reduced to a recognizable formula (Meethan 2001), a formula which as we on various occasions in this chapter have seen fits better with the desires, hopes and ideas of tourists or others with an interest in such people and places, than it fits with that of the local people. In this respect Shaw (2004b) argues that another important element of the commodification by tourism is that it normally implies uneven power relations, and referring to Crick (1989) he argues that "the relationships between power and knowledge, the generation of images of the 'other', and the creation of 'natives' and 'authenticity' are significant in understanding the commodification of all tourism places" (p. 166). Thus, the discussion about power relations and who sets the bases and content of the developmental agenda is a highly relevant issue. In section 11.2.2 one interesting observation in this respect was about the way in which the owner-managers in the two case areas responded differently to the claims of authenticity.

These responses also tell us something about power relations and about being and not being in control of one's own situation and development. In this respect it is relevant to note the finding in this chapter (section 11.4 and 11.5) that in the case of the Chilean owner-managers the authenticity claim is primarily an external claim, from tourists and other agents involved in pro-poor development (be it tourism projects or others) in the area. We could thus ask: who sets the standards and agenda of indigenous (tourism) development? In the case of Lago Budi, as discussed in this dissertation, it is not so much the indigenous people themselves as the advocates that act on their

behalf and the developmental advisors who all seem to have their own ideas, vision and ideologies of "development". Most of them have an urban and modern background and a romantic vision of indigenous cultures as representatives of the good life. What we then also discover is the fact that the discussion about the commodification of culture and cultural artefacts is a highly value-laden discourse. And we could ask what gives the developmental advocates the right to determine which development is good and which is bad? Perhaps this is to overgeneralize, but especially in the case of tourism where the claim is to maintain authenticity, this would imply the Mapuche-Lafkenche culture and its people having to remain static for the sole purpose of not destroying a romantic and idyllic image of pre-modern life. As Sergio rightly pointed out in section 11.4.2 in relation to those who argue that they are commercializing their culture, "there are some leaders who have not suffered as we have suffered. They have studied at the big universities in the capital. I took a technical education in Puerto Saveedra. They didn't walk barefoot to school. They went by car to school, to university. That is the difference."

Thus, what we have discovered in this chapter and dissertation so far is that whether we deal with objective, constructivistic or existential authenticity, they all share the same turning point: they are all centred on ideas, perceptions and comparisons of modernity vis-a-vis tradition, and where the diverging views and opinions provoke a range of conflicts and tensions. Furthermore, we have also learned that although the discussion about authenticity in tourism has basically been centred on the tourists and their demands, authenticity in tourism is much more complicated, as it is a claim not only from tourists, but also for example from the public and private institutions involved in local and tourism development. We could rightly conclude that rural areas and communities are undergoing complex processes of change, and that the reshaping of the "traditional" countryside has left the contemporary countryside as an arena in which a multitude of tensions and competing demands are played out, which frequently reflect wider social, cultural, economic and historical differences and conflicts.

Chapter 12: Small-Scale Tourism and Rural Everyday Life: Reflections on Theory and Practice

One of the main findings of the conducted empirical analyses in chapter 4 and 5 was that the small-scale tourism business owners studied in this dissertation were mainly inspired by lifestyle goals and objectives, and that among these the desire to develop or maintain a rural everyday life and lifestyle was the objective that seemed to trespass both sex, age and race (case-area). Furthermore, through the analyses conducted in chapter 4 and 5 we became also increasingly aware of a number of limitations with the more economical oriented theories applied, and in chapter 6 we argued for the usefulness of supplementing these theories with a sociological approach, and more specifically an everyday life approach. We thus argued that understanding the challenges and constraints of the owner-managers in the frame of their everyday life, is especially relevant when dealing with small and micro sized businesses in rural tourism, because of the basically non-existing boundaries between the everyday life, family and working life. We then also argued for and presented main elements of the everyday life approach as put forward by its founder Alfred Schutz. In this chapter the aim is, by drawing some main lines, to reflect a bit more about the usefulness of this theoretical approach in the frame of the empirical findings of the dissertation. Eventually, we will se that these reflections in it self turns out to be a discourse about the very essence of contemporary rural life itself.

Alfred Schutz is as has been argued in chapter 6 the founder of the everyday philosophy of the social sciences, and according to him our everyday world is a preconstituted world which we perceive as natural, stable and taken-for-granted, and in which everyday knowledge has been handed down from generation to generation in cultural and historical forms which we perceive as universally valid (Schutz 1975). As such, Schutz's understanding of the everyday life-world seems to share several characteristics with Ferdinand Tönnies' (1957) *Gemeinschaft* (community) society as described in chapter 11, characterized by stability, tradition and human relationships developed through kinship, a common habitat and cooperation. However, from the analyses conducted in this dissertation it is more than evident that rural areas and societies around the world are undergoing profound changes, and we could similar to Bridger et al. (2003) argue that contemporary rural communities seems to be very "different from the self-sufficient towns surrounded by agricultural hinterlands that normally figure so prominently in our national mythology" (p. 11). Through the empirical analyses of the tourism entrepreneurs studied in the two case-areas we grasp a picture of a

contemporary rural everyday life as a highly complex 'cocktail' of historical and contemporary events and processes which on a more general basis have influenced and changed rural areas in both Chile and Norway dramatically compared to only a generation ago. Related to this is thus also the fact that the more traditional understanding of rural areas as *Gemeinschaft* societies, as argued in chapter 10 and 11, bears little similarity to the actual situation of rural everyday life.

Schutz formulated his thoughts and theories about everyday life between the 1930s and '50s, and as a sociological theory we must assume that it has its origin and point of departure in the reality (everyday life) with which Schutz was familiar and of which he had experiences. Everyday life is the life we live daily, as Bech-Jørgen (1994) points out, and this involves the notion that everyday lives are dynamic, changing in tact with those who live them. So, we could rightly argue, is Schutz's everyday life theory and approach capable of grasping the many facets of contemporary rural everyday life that we have discovered through the conducted empirical analyses? Although the everyday life approach of Schutz have opened our eyes to the importance of the everyday life as a field of research and also has provided useful concepts as to approach the study, the author will prompt that the answer to the raised question must be a clear "no". This is in the eyes of the author mainly linked to three highly related, implicit assumptions of his theory. Below we will discuss these assumptions in relation to the metatheoretical terms developed in chapter 2, the empirical material of the dissertation and eventually other theorists who can help shed light on contemporary rural everyday life as perceived through the analyses, discussions and conclusions in this dissertation.

12.1 Our contemporary everyday life

The author will claim that the first problematic assumption in Schutz's sociology of everyday life is linked to the ontological substance of his understanding of it. His aim was to provide an objective, non-contradictory description of the social world and everyday life based on the natural attitude and the reductionistic method with the result that everyday life will seem to be an eternal, stabile, unshakeable and predictable life-world which we humans take for granted and enter into with a spontaneous attitude and "blind" devotion. Schutz's everyday life is all-absorbing and gives the individual clear, given frameworks and referential systems according to which the individual can orientate him- or herself. Schutz's everyday life emerges as a homogenous, ordered, structured and conforming world handed down from generation to generation as behavioural norms and language.

But what, one might ask, distinguished Schutz's ontological understanding of everyday life from that of the structuralists, functionalists and from the *Naturwissenschaft* with which he attempts to break? In the view of the author, not a great deal. By and large everyday life, despite all the talk of subjectivity, meaning, interpretation and understanding, is a mainly function-orientated and determined reality and therefore many of the same points of criticism which on a general basis can be made of more positivistically orientated human sciences can also be directed at Schutz. As Gardiner (2000) points out, "the formalistic character of this viewpoint is somewhat ironic, given that interpretive sociologies have tried to claim fidelity to the concrete particularities of social situations and practices" (s. 5). Schutz's everyday reality does not appear as an especially "deep" or complex phenomenon neither in an ontologically nor more hermeneutically sense, it appears quite unlike an everyday life whit several layers and levels of meaning as the one found in the empirical material in this dissertation, and where e.g. the immediately expressed meaning by individuals may not correspond neither with their actions nor intentions, as Schutz would seem to presume they do.

In addition, Schutz's everyday life seems a neutral, unconditioned world. The natural attitude is not conditioned by anything, it is there just as an *a priori* for the everyday life-world. It does not depend on values, norms, gender, class relations, politics, culture or ideology. But this is not the world or the everyday life with which we are familiar, or the world or the everyday life which the empirical material portrays. An everyday life will always be played out in a context, whether this be a societal, cultural, historical, religious, political or other one. As clearly shown *inter alia* in chapter 10-11, ideology, class relations, politics, institutional assumptions, values and norms do play an important role and both limit and spur individuals' self-development. This implies for example that not all actions are equally possible within the world of the everyday life; nor do all everyday lives as clearly illustrated through the two highly different case studies offer the same space for action or the same opportunities. Whilst the possibility of going abroad on holiday is a natural part of the everyday lives of the Norwegian owner-managers, it is as observed an utopia for most, if not all, of the Chilean owner-managers. This again, as observed in section 9.4.3, is a factor which limits the possibilities of the Chilean owner-managers in terms of developing their tourism businessest. Thus, when the actual conditions of everyday life are drawn in to the picture, the everyday life is no longer neutral. Instead it turns into a highly multicultural and dynamic arena characterized by, as observed through the analyses in the former chapters, a high degree of internal complexity and power struggles.

When the everyday life-world is reduced to all the activities which with the natural attitude can be taken for granted as described by Shultz, everyday life becomes synonymous with its inevitability. According to Schutz it is precisely because everyday life is taken for granted that it is possible to believe in the world of everyday life. However, as Beck-Jørgensen (ibid.) points out, if everything is taken for granted it is difficult to see what there is left to believe in. Even if a belief is taken for granted, it must nevertheless be a belief in something or other, and this something or other must have a qualitative content, be it positive or negative. For if nothing is better than anything else, the driving force for social change also disappears. Why would one want to change a world which was the most natural and inevitable thing one knew of? As pointed out in paragraph 5.2 however, it is precisely this desire to change their own everyday lives which is the main motivation of many of the tourism entrepreneurs in this dissertation, and this is a fundamental reflection of the fact that everyday life is perhaps often taken much less for granted than Schutz seems to assume. In Schutz's everyday life nothing is chaotic, incalculable or unpredictable, and nothing is better than anything else. Schutz's world is thus a very black-and-white, undifferentiated affair which does not allow for the numerous nuances and details, big and small, of everyday life which though seemingly insignificant in fact often make a big difference as illustrated not least by many of the situations which have been drawn out of the empirical material in chapter 7-11.

Schutz himself asks why some elements of everyday life feel more relevant than others. He points out that selective anticipation is not based on a cache of previous experiences alone, but also in its most existential form on a fundamental anxiousness about death. Hence stem fear and hope, desires and satisfaction, chances and risks, which may unfold within the active world of everyday life. They are thus elements in this, but they do not allude to the natural attitude or the belief in the reality of the world (Schutz 1973: 228). Schutz is hinting here that there are in fact elements in the world of everyday life which are not taken for granted, but as noted by Bech-Jørgensen (ibid.) he does not pursue the theme. To him the central point is that the everyday life-world is the all-overshadowing one, because it consists of a field of control within which a system of relevance exists in which the immediate future is anticipated in ways which re-establish the belief in reality. To Schutz the everyday life-world is thus limited in time and space, it is not historyless, but history is more a stream of cached experiences than a precondition. The empirical material in this dissertation however shows that the past and history are to the greatest of extents preconditions which limit the individual's opportunities in the present and future. This was clearly illustrated through the identification of several local cultural characteristics which might hamper the development of

entrepreneurship and innovation at both an individual level as observed e.g. the low self-esteem observed among a number of the female owner-managers as described in section 9.5; and also at the community level as observed in section 10.3.2.5 through local cultural characteristics such as clientism and projectitis. In this respect we could rightly observe that historical and cultural heritage influence people's perceptions, opinions/meanings and actions through what we might describe as a form of cultural capital. In some contexts, this is positive cultural capital, as observed in Karlsson and Lönnbring's (2001) study of the lively entrepreneurial small-business environment in Årjäng in Sweden, whilst in other contexts, with reference to the Chilean owner-managers studied in this dissertation, it might be a more negative cultural capital, which as argued seems to hamper the development of the businesses studied and thus also their role as catalysts for rural development. History shapes culture and is an important piece in forming identity and constructing the everyday life.

In Schutz's understanding of everyday life, the everyday is a continuity which is highly limited by space. He limits, as pointed out in paragraph 6.4.1, the everyday life-world to the active world, and further limits this to the world within our reach. Within Schutz's life-world the spatial dimension of everyday life is rarely transgressed, for example his essays about both the stranger and the homecomer seem today like exotic travel reportage from a bygone time. In contemporary society "space" is thus extended to the unrecognizable through an increasingly global influence even on the most remote corners of the world. The meaning of stranger and the unknown has thus changed considerably in our contemporary times (see for example Giddens 1994b). Whilst a "stranger" in Schutz's traditional understanding is a physical person who appears suspicious, what is strange is much more fragmented in modern everyday life and may appear in an endless number of forms. Even the very poorest Mapuche families usually own a television, and excerpts from strange or foreign everyday lives enter our everyday life in a completely different way than before. Quick glimpses of the "strange" have almost become a natural part of our daily lives and help break up much of the inevitability, the natural attitude, which Schutz accentuates as one of the basic elements of everyday life.

In our contemporary times it is also usual to slip in and out of different everyday lives, social relations and institutions, both far and near, far more often than before, and the individual over the course of his or her life will often break several times out of the existing and establish new everyday lives in completely different contexts (e.g. move abroad, start a new family, etc.). Being a part of

another everyday life is also an activity which is often sought out in various contexts for shortish periods, e.g. by holidaying by Lago Budi to live with an indigenous family to get a taste of what one, with reference to the discussion in chapter 11, might perceive to be a more authentic everyday life. Whilst the "old" life-world is often portrayed as more predictable, uniform and unalterable, the modern one is said to have exploded. For example, one of the main points in the English sociologist Antony Giddens'[174] (1990, 1994) theory of modernity is that modern society[175] has an extremely dynamic character and he argues that the speed and extent of changes are unprecedented (1994: 13), an experience also highlighted among several of the lifestyle immigrants as one of the motivational factors for their search for "the good life" in an rural areas which was perceived as less "stressful", less demanding and with a slower paste of everyday life actions. According to Giddens one of the fundamental causes for this increased "speed" of contemporary (Western) everyday life is thus the increased division of time and space. Giddens (1990: 55; 1991; 15) points out that while the agent[176] in what he calls the pre-modern society was bound to the home and local community, the appearance of modern means of transport and communication has broken down distances and the agents in a modern society are thus more dependent on space. We can communicate on the internet with people on the other side of the globe and we can sit at home and follow on the television a social situation in a studio which, apart from being separate in space, is also separate in time (apart from live broadcasts).

We may thus say that today one to a greater extent can slip in and out of both more distant and closer everyday lives, but this is in fact a modified "truth". For while some people, as in the Norwegian part of the empirical material, today in practice can realize almost any dream to change or swop everyday lives, for a great proportion of the population of the earth, including most Mapuche-Lakfenche people, this would, as argued, be no more than a utopian daydream. A certain change, yes, but a drastic change would be the exception rather than the rule due to the financial marginalization as discussed in chapter 3 and 10. But although the Chilean owner managers thus has little chance of travelling far themselves, they are still exposed to different everyday lives and notions of "the good life" on a regular basis, e.g. through television and their encounters with

[174] Giddens was inspired by Schutz and his understanding of the life-world, by Paul Ricoeur from whom he borrowed the expression "distansering"(distancing) (Rasmussen 1995: 199), and by Charles Taylor by whom he was inspired to use the term reflexivity.

[175] He characterizes the current societal and cultural state using the terms "modernity", "high modernity" and "late modernity" apparently inconsistently.

[176] Giddens uses the term "agents" where others for example use "actors" or "parties".

foreign tourists. Thus, they are constantly reminded of their own situation and the underlying conditions thereof, and the natural attitude is constantly challenged, and the inevitable is thus by definition no longer so inevitable. On the other hand, the natural attitude has probably never been as inevitable as Schutz assumes. Class differences, injustice and inequality have always existed, and a hope and belief in change have always gone hand in hand with doubt. But if inevitability does not exist, while the possibility to change everyday life is but small, what happens then? In reality there are, as we have seen in the previous chapters, several possibilities. From a resolute optimism, combat and a stubbornness to get the job done on the one hand, to a feeling of hopelessness, dejection and frustration on the other.

The everyday life-world as it appears from the empirical material in this dissertation is thus a world which is full of contradictory feelings and actions, complex and reflexive thoughts and ideological, cultural and political contradictions and conflicts. And although the narratives of the everyday life-worlds which are told are often characterized by routines, an unchangeableness, and unreflexive ways of being and acting, they are also characterized by a surprising dynamism, moments of sharply focused and penetrating insight and an unrealized creativity. The everyday life-world is not just ordinary, but potentially extraordinary (Gardiner 2000: 6), and appears to be a reflexive and ideological project under constant revision.

12.2 Contemporary knowledge

Point of criticism number two of Schutz's understanding of everyday life, as pointed out in the introduction, is his view of everyday knowledge. According to Schutz, everyday knowledge is, as pointed out in paragraph 6.4.2, characterized as natural, stabile and predetermined and is in many ways the opposite of scientific knowledge. It is the routine knowledge we are comfortable with in our daily lives. Science has according to Schutz (1975) a very limited extent in our everyday lives; we are only partly interested in and only partly aware of the background on which we build our decisions in various areas of life. We do the things we have always done, in approximately the same way, without thinking to any appreciable extent about why.

Gullestad (1996) however points out that modern people to an ever-increasing extent slip into different and separate roles, activities and forums. This leads to our sometimes participating in contexts in which people, places and activities are well known to us and in which we use our everyday knowledge with its tried and tested formulas and typifications to decide how we should

relate to the situation and act. In such situations, we will typically relate to the situation concretely and individually, she maintains. On the edges of this experience of daily life there are however people and opportunities which are far less known, and to whom and which we relate more abstractly and generally. The empirical material demonstrates many examples of various encounters between the tourism entrepreneurs and municipal, regional bureaucrats, the tourist council etc. and the different situations which arise are indicative of exciting and complex confrontations between Schutz's everyday knowledge and what Giddens (1994b) calls "the knowledge of the expert systems[177]" (p. 26). Especially within many of the analyses conducted in relation to chapter 10 we see quite many of such confrontations, e.g. in the encounter between the owner-managers and the different part of the municipality; between the owner-managers and the financial institutions etc. The separation of time and space in our modern society and everyday life as discussed in the paragraph above leads according to Giddens (1994b) to a number of "disembedding mechanisms", i.e. that social relations are "lifted out" of local contexts of interaction and restructured across limitless distances in time and space (p. 26). The expert systems, he maintains, are a type of disembedding mechanism and may be described as systems of a technical nature or of scientific expertise which organize great parts of the material and social surroundings in which we live today (ibid.: 31). These systems separate time and space by using a knowledge which is valid beyond time and space and independent of the people who use the systems:

> "Such systems penetrate by and large all aspects of social life under the conditions of modernity – when it concerns the food we eat, the medicine we take (etc.) [...] Expert systems do not limit themselves to areas of technological expertise. They extend also to social relations and even to the intimate worlds of the self"[178]
>
> (Giddens 1996: 30).

[177] Giddens distinguishes between two types of disembedding mechanisms, symbolic signs and expert systems for which he uses the common term "abstract systems". By symbolic signs he means developmental media which can be "forwarded" without taking into account the special charateristics of individuals or groups which have to do with them at a given point in time (ibid.: 27). Giddens exemplifies the term with "money" which depends on neither time nor space because its function lies in its value in that it facilitates a transaction between individuals who never meet one another.

[178] "Sådanne systemer gennemtrænger stort set alle aspekter af det sociale liv under modernitetens betingelser – når det dreier seg om den mad vi spiser, den medicin vi tager (osv.) [...] Ekspertsystemer er ikke begrænset til områder af teknologisk ekspertise. De udstrækker sig også til selve de sociale relationer og til selvets intime verdener."

Giddens uses the term expert systems as these are systems which cannot be maintained by just anyone, they require specialized skills (Rasmussen 1995: 206-7). Expert systems thus also contribute to new passing points between technological systems and people's everyday lives arising (e.g. e-mail and sms). Gullestad (ibid.) thus points out that one dimension of the experiences of everyday life is the known and individual vs the more unknown and general. Expert systems challenge our everyday knowledge by problematizing a part of the conditions of our everyday life which we many not have questioned to any appreciable degree before, and thus challenge our perceptions, typifications and knowledge within an area. In the empirical material there are several such examples, including those related to the Norwegian Food Safety Authority's focus on hygiene and standards when food on mountain dairy farms is produced and tourism (re. paragraph 10.1.1). As we constantly experience that "expert systems" challenge our everyday knowledge, everyday knowledge loses much of its legitimacy. Expert systems are thus characterized by a degree of dependency and potential vulnerability which result from the fact that evermore coordination is left to such systems.

In chapter 10 and 11 we have for example seen how the NGO milieu has entered the picture as an expert system in the local community in Lago Budi with its "community and pro-poor development" projects, and how this expertization has in fact brought about a form of a culture of passivity which instead of helping development actually hinders it. At the same time we can also see that many of the more elderly owner-managers in the Chilean case as pointed out in section 9.4 have not managed to adapt to the logic and acquire the necessary tacit knowledge to be able to operate within the expert system which tourism is, while their cultural and codified everyday knowledge, the knowledge which to use Schutz's terminological framework is handed-down from "generation-to-generation", has to a great extent disappeared. We have thus also observed that while the younger owner-managers to a certain extent have been able to integrate the new everyday knowledge, "expert knowledge" linked to running a small-scale business according to the principles and logic of market economics, the older managers have not, and their business are thus not operating that well. We have for example seen in section 9.2. that if they one day have no visitors, it seems logical to them to close the business the next day. Thus, we have also pointed out in section 9.4 and chapter 11 the challenges which arise from the fact that the authentic profile of the tourism product is driven mainly externally by advisors from within the expert systems (Sernatur, Impulsa, Indap, etc.) based on values and logics related to their own perception of "the good life". We can also eventually observe, who this knowledge of the expert systems is about to "settle" among some

of the Chilean owner-managers changing their former collectively framed everyday life into a more individualistic oriented one, visible e.g. through the increasing consciousness of turning into a ”Mapuche micro-businesses”.

So when everyday knowledge is thus being constantly challenged, while we to an ever-increasing extent entrust part of our knowledge of everyday life to expert systems, the problems of doubt and faith will then be far more central than in Schutz’s everyday life, as e.g. visible in the Norwegian case through the life style immigrants and their discourses related to the values and content of everyday life, or in the discourses of the leader of the local tourism organization in Lago Budi with reference to the lack of participation of the owner-managers in the joint cultural activities. To Schutz, a basic confidence in the inevitability of everyday life was the very condition of everyday life, and a basic attitude one always returned to. In our contemporary everyday life however the relation between everyday knowledge and confidence and belief in the basic “truth” of everyday life is a far more complex and ambivalent. The entry and progress of the expert systems with their patent on true and valid knowledge have thus not just undermined the authority of everyday knowledge, they have also delegitimized the explanatory power of bygone times, such as myths and religion. The knowledge of the expert systems, which is usually quantitative and based on scientific ”facts” becomes synonymous with ”true” and correct knowledge and for example the explanatory power of traditional cultures is thus often dismissed as superstition with no basis in reality. We can thus also see the way in which the everyday knowledge of the Mapuche-Lafkenche is today a fusion of old and new, and how they might refer to both superstition and God to explain events: “God is angry at us, because we don’t know how to understand things, he handed everything to us, everything was arranged, but we don’t know, and we didn’t learn from our forefathers.” One consequence of the explanatory power of bygone times being delegitimized is that to many people everyday life appears very instrumental and spiritually poor and, as the discussions in the chapters above have shown, working with tourism is to several of the owner managers, especially in the Norwegian case, thus an escape from what Giddens (1994b) characterizes as one of the threats of modernity, namely personal meaninglessness (p. 90).

The analyses thus demonstrate several interesting and central problems involving a confrontation between everyday knowledge and the knowledge of the expert systems. Decisions, actions, identity and in some cases the business itself are based on a number of feelings and perceptions which are strongly related to the expert systems’ ”deauthorization” of the inevitability and explanatory power

of everyday life. In our contemporary times, knowledge and ”science” thus seem to be much more ambivalent, reflected, complex and unpredictable than Schutz reflects in his understanding of everyday life. Not that everyday knowledge in our contemporary times is not also characterized by typifications, formulas and patterns, habits, approaches and inevitability as pointed out, but at the same time the reflexive attitude, the ability to take a step back and consider our life-world, ourselves, phenomena and experiences from a reflexive distance seems very central. This is what we will look at in more detail in the next paragraph.

12.3 The contemporary human being

So far we have raised critical questions related to the ontological and epistemological aspects of Schutz's sociology of the everyday world. In this paragraph we shall deal with his view of humans which in the eye of the author appears very deterministic. Although Schutz distances himself from behaviouristic models and similar, his view of humans with its focus on the natural attitude and spontaneous patterns of action is nevertheless characterized by a rather high degree of stimulus/response behaviour involving the human being characterized by an unconscious rational and objective reasoning. Feelings, selfish motives, irrational actions or actions which aim to create solidarity are themes which he at times probes, but not in any appreciable depth. In Schutz's everyday world humans' free will often appears very limited. Not because the individual does not have a free will, but because our everyday life seems so inevitable and natural that we do not need or desire drastic changes in this world's form or content. The everyday life-world is an ordered and structured reality, handed down from generation to generation through behavioural norms and languages with clear guidelines and referential systems. As the natural attitude is the basic attitude of the everyday life, this is the one to which we always return. And in Schutz's view of human beings we thus see several similarities with the *Naturwissenschaftliche* research paradigms and approaches from which he wanted to distance himself, and where ”culture and society are overarching, objective systems that function to integrate the individual into the whole [and] social actors are effectively 'cultural dopes' to use Harold Garfinkel's term, who internalize passively extant social roles and behaviour norms (whether consensual or a reflection of class-specific interests), thus acting to reproduce, in a largely automatic and unwitting fashion, social structures and institutions” (Gardiner 2000: 4). We thus observe that Schutz's view also has clear parallels with the view of humans which we in paragraph 2.3 have argued is prevalent within the more general impact literature, and from which the author distances herself. Contrary to Schutz and the more general impact literature, this dissertation would argue as pointed out earlier for a less

determined view of humans. With reference to the owner-managers studied in this dissertation they will through their actions have the possibility to change or transform their everyday lives and influence their surroundings. At the same time the space for action or change will always be bound by a number of historical, cultural, political and institutional conditions, which as formerly argued for example involves the Mapuche owner-managers perhaps not having the same possibilities for changing their everyday life as the Norwegian owner-managers.

Identity and the formation of identity, both at an individual and cultural level, are recurrent themes in the empirical material as visible both in the discussion of the content of "the good life" and in the conflicts related to the touristisc construction of images of traditional life and rural idyll as described in chapter 11. However, identity is not one which Schutz dwells on, for him identity is something we are born and socialized into, and is to a large extend determined on the basis of kinship, gender and social belonging, status and class. The individual questions but little its legitimacy. Based on the natural attitude and against the background of our own experiences, our everyday knowledge and our understanding of our selves are, according to Schutz, adjusted. This process however does not shake the basic structures and meanings of our everyday life or self-perception. When we encounter a problem or challenge, we stop, reflect rationally and retrospectively, adjust our understanding based on a pragmatic motivation and what seems meaningful "here and now". Our assessments or reflections are however according to Schutz and as pointed out in section 6.4.2 approximate typifications, "it's probably the way it has to be" within the frameworks of everyday life. One does not step out of the frameworks, one does not question the justification for or the basic conditions of everyday life, and should one do so one will soon in any case revert to the natural attitude. The world is a given and we adapt our understanding based on this while we "muddle along". Schutz as mentioned point out that life may have existential crises, with death as the ultimate one, but he does not dwell on this, our life-world provides us with the necessary roles and typified behavioural patterns. On the whole, it is our unconscious rational reasoning which is predominant and even though cultural socialization may be complex we adapt to the frameworks, as his essay about the stranger clearly illustrates (Schutz 1975).

While to Schutz, the reflexive everyday attitude was almost an exception, a purely retrospective action and one reserved for men of science (see for example Gardiner ibid.: 5), today it appears almost as an "inevitability" of everyday life. Giddens (ibid.) emphasizes in this regard that increased reflexivity is a central characteristic of modernity, where reflexivity may be understood as

”the regular use of knowledge we, i.e. institutions and individuals, constantly perform regarding the conditions for the organization and change of society”[179] (Kaspersen 1995: 125). This increased reflexion which Giddens (for that matter, also Ulrick Beck 1992) describes as a characteristic trait of modernity is thus according to Giddens (1996) significant in that it ”extents right into the interior of the self. In a post-traditional order, the self in other words becomes a reflexive project”[180] (p. 46). This implies that the modern person reflects on him- or herself, his or her everyday life and changes his or her social practice in relation to the constantly in-coming streams of information. The conducted analyses clearly illustrates that questions of reflexivity are central elements of contemporary rural everyday life. This for example is again very clear in relation to Claudia N.’s countless reflections on the problem of why the other owner-managers do not participate in the joint cultural activities, why they will not wear their traditional garb, etc. as shown in paragraph 10.3.2. We can see that she constantly stops and wonders: ”Could it be that…?”, ”How come…?” And we can see that the answers she arrives at herself refers to a veritable cocktail of different forms of knowledge. She explains that it has to do with a lack of tourism training, an personal unwillingness, that they are ”slow”, that it is the will of God, that the neighbours have cursed her, etc. This is a problem she constantly returns to, it bothers her and she is not satisfied by an approximate understanding, as one would assume she would be based on Schutz’s understanding of the everyday human. Furthermore, the constant reflexivity is also visible in the arguments and the thinking that lie behind the choices and the stories which are told in relation to the discussion of ”the good life” in paragraph 11.1, like Gry’s reflections related to why she decided to move to a rural area: “And I think this comes from some kind of search for identity: what did people do in the past? How did they live? So this was an interest in what it was like before and what kind of society we live in now and which values are important (...) So to me this has probably meant quite a lot. Both in terms of identity maybe, but also the feeling of which values are important here in life.” Through reflexion, Giddens maintains, the modern human creates and re-creates his or her identity, which is clearly illustrated through the story of Gry cited above.

Giddens points out that the contemporary world meets the individual as a chaotic, impenetrable and diverse reality, and one’s identity must be ”created” in the middle of this immense tangle of potential choices and offers. However, not all humans have the same chance to create their

[179] ”den regelmæssige brug af viden, vi, det vil sige institutioner og individer, konstant foretager om conditionerne for samfundets organisation og forandring”

[180] ”strækker sig helt ind i selvets inderste. I en post-traditionel orden bliver selvet med andre ord et refleksivt projekt”

identities, and as mentioned earlier, in this respect great differences exist between the Norwegian and Chilean owner-managers, Still, we can see that questions of identity and reflexivity are central elements of the human nature in both destinations, involving that the inevitability of the everyday life as argued by Schutz constantly being challenged. Rassmusen (1995) argues that one characteristic of contemporary individuals is the tendency to see oneself from without and to doubt and criticize oneself more than before. The contemporary individual builds up scientific knowledge, in part via expert systems meeting with other cultures through e.g. tourism, and does not unquestioningly trust the everyday knowledge handed down. In the modern human, one to a greater extent turns one's back on the notion of identity as a destiny which forever will bind one to one's origin and place of origin, and the individual relates more critically to religious dogmas and the authority of the family and kin. Whilst the human in Schutz's everyday life "was" in his or her world as an objective reality, this objectivity is constantly challenged in our contemporary times. One of the results of this is that the individual thus tries to find a foothold in his or her self, instead of in the world outside.

The formation of identity in our contemporary times thus has the trait of being a very *open* and *life-long* project characterized by having something uncompleted hanging over one throughout one's life. Identity has become something which can be tested and changed. It is, at least as argued above, in some settings and to a certain degree, up to the individual to sketch out, test and re-formulate one's identity. In that tradition has been picked apart, orientation is weakened and a change arises in part in the relations between generations, in relation to authorities and in relation to the work ethic. This cultural release however also involves increased pressure on the individual to choose, which also implies an increased risk of one failing in one's choices. Whilst more traditional action was thus based on the assumption that all questions had already been answered, and therefore implicit and automatic, as with Schutz, a reflexive and communicative action is often weighed up and conscious. Reflexive actions involve an appraisal of the consequences and reasons, and strive for a consistency between earlier experiences and future consequences (Rasmussen 1995). The modern human's total existence is thus a question of choosing and making decisions so that we can form an "story of the self", and the construction of identity is thus transferred to a discursive level (Kaspersen 1995: 142).

Gullestad (1996) points out that the terms identity, *levesett* (mode of life) and lifestyle possess particularly great explanatory power when analyzing our modern everyday life, and points out that

mode of life has become more important in the identity-creation project, and that the lifestyle aspect to mode of life has come more into the foreground. She defines mode of life as encompassing ”economic, organisational and cultural aspects to a way of living”[181], whilst lifestyle is defined as ”the communicative aspects, such as the symbolic value in a mode of life”[182] (Gullestad ibid.: 104). According to Giddens, all humans need a form of ontological security, a feeling of stability and order in the everyday which our daily routines help to maintain (Rasmussen ibid.: 216). Giddens (ibid.) points out that one of the ways the modern human can create meaning and context, as well as limit the many possible choices, is by choosing a lifestyle. This lifestyle consists of a rather defined package of possibilities. Whichever lifestyle one may have chosen, it is accompanied by a more or less defined codex of actions, and many of one's daily choices concerning clothes, food and sexuality and even the formation of political opinions are thus defined by the lifestyle, which creates a form of belonging in all the confusion. We have thus observed that while for the lifestyle immigrants in the Norwegian case running a small-scale tourism business was in part a way of creating a "new" and rural identity and lifestyle, for the majority of the owner-managers with their upbringing firmly rooted in the two case areas it might be more appropriate to speak of a "re-creation" of identity, a way of continuing to have a traditionally based and autonomous lifestyle which has deep roots, also in Norwegian villages. In chapter 5 we also observed that objectives of autonomy were expressed to be central elements related to the expressed lifestyle orientation of the owner-managers.

Karlsson and Lönnberg (ibid.) point out that when trying to describe running small-scale tourism in rural areas, it may be more correct to speak of a *livsform* (form of life), rather than just a ”lifestyle”, and what differentiates the two is that while lifestyle may be disassociated from place and traditions, ”form of life” also focuses on the social and cultural context and on the social mechanisms which lie implicitly in the traditions, and which are embodied in people's practical, conscious forms of knowledge and habits. The autonomous form of life is a reproduction of traditions, whereby the rural life forms live on in, for example, small travel businesses, but with new content (so-called neo-culturalization). The autonomous form of life thus involves one's own work efforts/labour being sold, and the business is thus both a goal and a means in itself with no clear boundaries between work and free time. The autonomous form of life is strongly characterized

[181] ”økonomiske, organisatoriske og kulturelle aspekter ved en måte å leve på”

[182] ”de kommunikative aspekter, som symbolverdien ved levesettet”

by the ideal of independence, which has strong roots in the traditional smallholder milieu (ibid.), which also partly characterizes the Chilean owner-managers.

We could thus argue that contemporary human beings stand out as complex and multi-faceted individuals who, with reference to Schutz's theory, increasingly question their taken-for-granted thoughts and ideas. Due to a detachment from traditions and place, people might seek identity by pursuing the traditional, which often involves a longing for returning to a more pre-modern life, assumed to be found in a rural location, whilst other seek identity in modernity. Whilst the human being in Schutz's everyday life thus "was" in his or her world as an objective reality, this objectivity is constantly challenged in our contemporary times. Modern construction of identity is thus as pointed out in paragraph 11.1 often at its deepest an existential search for "the meaning of life" in a modern everyday life which at times may seem rootless and bereft of spiritual content.

12.4 Summing up

Schutz was primarily a sociologist of knowledge and science, and his main focus on human consciousness was thus a project to accentuate and prove the difference between *Naturwissenschaften* and *Geisteswissenschaften*, not least in relation to the way in which these should be dealt with and examined scientifically. But at the same time Schutz was also as pointed out "a man of his time", and he was and remained, as we have argued, strongly influenced by the natural-scientific paradigm which he tried so valiantly to break with. In this lies one of the main points of criticism of Schutz's understanding of everyday life and the term "the natural attitude" as pointed out in the paragraphs above, namely that an understanding of everyday life will never be independent of context or unconditioned by factors such as politics, religion, social class, sex, history or culture. The dissertation would sustain that by omitting these important features of everyday life, Schutz's theory is in fact not capable of grasping the complexity of contemporary rural society and everyday life. Either is the theory capable of explaining why the everyday life of the tourism entrepreneurs in Chile and Norway have both several similar, but also several different characteristics and why the aspirations, explanations, attitudes, motivations and changes might result differently.

Rather this dissertation would thus argue that the everyday life of rural societies is not, and probably never has been, the stable and eternal everyday world as proposed by Schutz, rather it is a world "riven with numerous contradictions and marked by a considerable degree of internal

complexity" (Crook 1998 cited in Gardiner 2000: 6). Inherent in the ongoing changes of rural areas is also the fact that the role of the community as a unit of social organization is diminishing, and that the relationships that used to hold communities together, such as those described in the *Gemeinschaft* society, have become fragile and transitory. The locality is not the only unifying feature of life, instead social relations are often de-territorialized, as the ongoing processes of globalization imply that local cultural characteristics are influenced as much by impulses, trends and motions from other regions and parts of the world (see for example Shaw 2004b). For example, this is certainly true of the lifestyle immigrants studied in this dissertation in whom we have seen that the point of reference in relation to norms, values and standards and the perceptions of "the good life" are inspired by thoughts and experiences beyond the local community. In this sense the immigrating tourism entrepreneurs might not only be confronted with their everyday-life thoughts and practices in their encounter with the tourists and the tourism industry, but also in their encounter with the locals and the society in which they have decided to shape their business. What we thus also can see is that people might become members of rural areas by choice, rather than as a consequence of birth, occupation or place of residence as suggested by Schutz.

In table 12.1 (next page) some of the main points of Schutz's understanding of everyday life are compared to rural everyday life as understood through the analyses, discussions and conclusions in this dissertation.

Thus, on the basis of the analyses and discussions undertaken in this dissertation the author stresses that in order to really grasp the complexity of contemporary rural societies we need a more holistic, critical, processual and less rigid understanding of the "everyday life" than the one Schutz proposes, one which acknowledges that:

> "everyday life incorporates a form of 'depth' reflexivity, which is necessary if we are to account for the remarkable ability that human beings display in adapting to new situations and coping with ongoing existential challenges, as well as to explain the enormous cross-cultural and historical variability that daily life manifests. This reflexivity displays both discursive and pre-discursive, embodied qualities, as well as unconscious elements, as Pierre Bourdieu, Anthony Giddens and others have pointed out. Although everyday life can display routinized, static and unreflexive characteristics, it is also capable of a surprising dynamism and moments of penetrating insights and boundless creativity. The everyday is, as Maffesoli puts it, 'polydimensional': fluid, ambivalent and labile".
>
> (Gardiner 2000: 6)

Table 12.1: The traditional and modern rural everyday life

Schutz's everyday life	Contemporary rural everyday life
• The world of everyday life is a given, natural, stabile and changes only slowly • Neutral, unconditioned and a reality free of conflict. • Confidence in the inevitability of everyday life. • Local community and local everyday life as a referential framework and space for action. • Identity is based in part on kinship, tradition, gender and social status. • The agents of socialization are linked to the immediate environment and local surroundings. • Everyday knowledge is characterized by typifications, approaches and probability. • Threats and dangers stem from nature or human violence, e.g. infectious diseases, natural catastrophes, invading troops, robbers, etc. • Religious cosmologies as explanatory frameworks and ritual practice which produce a predictable explanation for and interpretation of human life and nature.	• The world of everyday life is both stabile and inevitable, but also unpredictable, dynamic, complex and chaotic • A reality full of feelings, loaded with values and conditioned to a great extent. • High degree of scepticism towards traditions, dogmas, handed-down knowledge, etc. • Globalization leads to strange everyday lives and worlds more generally becoming a referential frame and in part a space for action • Identity is highly incomplete, reflexive and a life-long project. • The agents of socialization may belong to both near and far surroundings. • Everyday knowledge and expert knowledge. • Threats and risk are a result of increased knowledge and reflexion on our contemporary times. • Future-orientated hypothetical thinking as a way of linking the past and present

Source: Inspired by Giddens (1994: 90).

Such an understanding of the everyday life is also capable of overcoming "the pervasive dichotomy in social science between the objectivism of structuralist approaches and the subjectivistic tendencies of more conventional interpretive theories" (ibid.: 3), and especially the more micro-oriented part of the interpretative campus, represented by theoreticians such as Schutz, Berger and Luckmann or Goffmann. Being aware of the important contributions that these micro-oriented approaches have made to the study of everyday life, the limitation of both the micro-oriented and more structuralist or system approaches[183] represented by theorists such as Luhmann or Leví-Strauss, is thus that neither of them fully embraces the complexity or "deepness" of the everyday world.

[183] In the context of this dissertation represented by the chaos theory approach to tourism entrepreneurship as proposed by Faulkner (2003).

Chapter 13: Conclusions and reflections

13.1 Small-scale tourism businesses as catalysts for rural development

The starting point of the dissertation was an interest in getting to get a better understanding of the role that small and micro-sized rural tourism businesses might play as catalysts for rural development. On the basis of the fact that family businesses are reported to be the dominant form of enterprise ownership and management style among small and micro-sized enterprises in rural areas in both developed and developing countries, and the alleged lack of entrepreneurship and innovation among both family and small-scale tourism businesses as such the following three research questions were drawn:

1. Are small and micro-sized rural tourism operators family businesses and what does this imply in terms of their business motives, plans and priorities?
2. Are small-scale rural tourism businesses entrepreneurial and innovative and if so, in which manner?
3. Which challenges and constraints do small and micro-sized rural tourism businesses experience in relation to working with tourism? And how do these factors affect their business' well-being and performance?

The approach to the first and second research questions was primarily deductive where we on the basis of existing theory about family businesses and entrepreneurship in (rural) tourism proposed a number of statements or hypotheses which were then tested empirically. The approach to the third research questions was primarily explorative, and where we by analyzing the challenges and constraints that the owner-managers experience in their everyday life in relation to operating a small-scale rural tourism business also set out to search for possible explanations for the high rates of failure, among these firms. Furthermore, in order to focus the study a comparative approach was applied where two different case-areas were picked out for detailed empirical research. The empirical research illustrates that although the businesses in the two case areas were very different, they still shared several operational characteristics which allow for generalizations at a more aggregated level with reference to these types of businesses. The conducted study clearly demonstrates that small-scale rural tourism businesses might play an important role as catalysts for rural development, at the same time as a number of identified challenges and constraints might prevent them from having such a role. Furthermore, the research also illustrates that it is important

to be aware of the fact that small-scale rural tourism businesses have characteristics, motives, goals and needs which clearly distinguish them from more traditional and production oriented small-scale businesses and that in order to spur their development and growth, strategies and plans which take these elements into consideration much be developed and applied. In the following sections we will sum up some of the main conclusions from the conducted research and study.

13.2 Small-scale rural tourism businesses and family matters

Family business has been reported to be the dominant enterprise ownership and management style among small-scale rural businesses both in developed and developing countries, at the same time as family businesses are often accused of lacking entrepreneurial and innovative capacities and be motivated by factors other than business profit and growth. In this respect and with reference to the possible role of small-scale tourism businesses as catalysts for rural development it was thus perceived as essential to get a more complete understanding of different possible dimensions of "the family aspect" of the studied businesses. The conducted analyses revealed that how a family business is defined or distinguished are normally according to a given definition of "family business". The problem with this is, however, that there exist a vast number of definitions of what a family business is, which imply that in the end whether an enterprise is defined as a family business or not will stand and fall with the applied definition. Some of the definition we have argued are to "strict" to fit the small-scale rural tourism business situation and others are to "loose" to actually be of any use in terms of capturing what distinguish the family orientation from e.g. a more general lifestyle orientation. Given the numerous definitions that exist and adding the lack of clarification, disperse understanding and use of typologies among the majority of researchers which highly complicates comparisons between different family business studies (see chapter 6), this dissertation sustains that it is more fruitful to actually talk of a "family aspect" or "family dimension" of small-scale rural tourism businesses than to discuss whether they are "family businesses" or not. In this respect, we could argue that the family dimension simply means that along what we could call the family-business line, motives, goals, plans and priorities of the owner-manager(s) tend to priority family considerations before business considerations, and thus a clear "family-first" vision.

What we can then learn from the conducted research is, thus, that family matters do play an important role for all of the businesses studied, being it in terms of family involvement in ownership and business establishment, management or the daily operations of the businesses or in terms of attachment to a family property or a clear "family first" orientation. In some of the cases

we have even seen that the tourism business would probably not have existed if it was not for the extensive support, help and backing from family members. However, we discovered that in the Chilean case the owner-managers were very conscious that they were family businesses, and there was a clear vision to use the business for the betterment of the family, but that the owner-managers in the Norwegian case did not think of themselves as family businesses. This, we argued, deals with the fact that "family business" is a terminology that is not frequently used in Norway combined with the fact that most of the firms are established as "enkeltmannsforetak", which by the sound of it actually implies that the owner-managers sees themselves as just that "single person company". The business vision of these Norwegian owner-managers was thus clearly more individualistic, "my company", "my income", etc. Not that there not was a family vision, but it was much more implicit. Like in the case of Laila who was very surprised when she was asked about the family aspect of the business: "I am a one-person-company", however in terms of whether growing the business or not she argues: "But I choose now at my age - I am a grandmother, the grandmother to five children, and then I have to have some time for that - so I have chosen that for now, and as long as I will be in business, to have it this way."

The study also indicates that the family aspect probably vary with the sex and age of the owner-managers. Younger and single owner-managers seems to be less family oriented, and more "friend" and "hobby" oriented, while the females owner-managers, as also illustrated through the case of Laila above, seemed to pay special attention to family considerations and often placed the well-being of the family before the development and growth of the business, The family first vision was also most clearly illustrated through the example of Lena who decided to close the tourism business due to what she perceived as incompatible tasks, that of raising a small child and at the same time managing a small-scale rural tourism business. The family element was, however, also central in the sense that the lack of participation from family members impeded the future development of the businesses, like in the case of Leif who had lots of plans regarding how the business could have been developed, but that it would have implied that his children, or at least his wife, got more involved in the business, which she was not willing to. However, again we see that although the provoking factor for e.g. closing or not developing the business were "family matters" these factors were only the last "drop" in a line of circumstances that drained the motivation and willingness to carry on. Other factors were the lack of financial support, health conditions or the more general "tear and wear" of running a small-scale tourism business as argued in chapter 8. Thus, again we see that business decisions are not taken at arms length, but on the basis of a line of thought were

"pros" and "cons" constantly are weighted, evaluated and concluded. We could eventually conclude that among small and micro sized rural tourism businesses what we thus have labeled "the family aspect" or "the family dimension" is clearly an element that needs to be taken seriously both in research and in the development of public and private policies, support instruments and guidelines.

13.3 Small-scale rural tourism businesses, entrepreneurship and innovation

The capacity to be entrepreneurial and innovative, that is to be able to respond quickly, proactive and constructive towards changes in external and internal conditions is considered crucial both for the survival of firms and for the development and revitalization of rural areas. However, in this respect both family businesses and tourism businesses have often been described as lacking entrepreneurial and innovative capacity, and driven more by lifestyle motives and goals than traditional business or career issues like prestige, money and progress. The latter characteristics which, according to the classic economic understanding of entrepreneurship found in most economic rural development programs and plans in Norway, Chile and the rest of the Western world, are considered essential in order to spur both business and community development. Thus, faced with this context it was perceived as essential to get a more complete understanding of the motives and goals of the owner-mangers and the entrepreneurial and innovative capacity of the businesses. One of the main findings of the conducted empirical analyses was thus that the studied businesses were mainly inspired by lifestyle and autonomy goals and objectives, and that among these the desire to develop or maintain a rural everyday life and lifestyle was the objective that seemed to trespass both sex, age and race (case-area). As argued elsewhere former research indicate that lifestyle motives and goals among small-scale tourism businesses have been reported to be twice as frequent in rural areas, an element which is clearly confirmed in the conducted research.

In the Norwegian case almost 30% of the firms were run by in-migrants who had left their previously urban lives behind to search for a more sustainable lifestyle which they perceived they would find in a rural location, and reasons were often related to aspirations to live in a place with natural scenic beauty and the rejection of a perceived "rat race" of modern urban living. These lifestyle immigrants could thus also be characterized as "opportunity entrepreneurs" which we argued imply taking advantage of a lifestyle or market opportunity. However, we also observed a certain lifestyle orientation among the owner-managers born and raised in Tinn and in Lago Budi in the sense that starting up with tourism has become a strategy to be able to continue to live at one's home and continue to pursue or develop a rural everyday life. For many of these, their own

livelihoods have earlier been linked to the traditional basis of village agriculture – which can no longer provide for the villagers, and therefore other business strategies are necessary. We thus argued that both the concept of "survival entrepreneurs" and "necessity entrepreneurs" would fit to describe the situation of these firms. Eventually we argued that as observed a number of "push" and "pull" factors exists that either can motivate or force people into self-employment and business creation.

According to some authors lifestyle motives and goals is a family first vision in itself, but we have argued that such a conclusion is overly simplistic since it ultimately implies that all lifestyle oriented owner-managers are family businesses, which of course does not hold true. However, what we can observe is that there is an overlap between lifestyle oriented entrepreneurs and family businesses in the sense that both tend to prioritize what we can label lifestyles including family considerations at the expense of economic factors. We can argue that among small and micro sized rural tourism businesses there is both a lifestyle and a family orientation or dimension, but that not all lifestyle oriented businesses are family businesses and vice versa. What is then the difference between a lifestyle and family business orientation in terms of small and micro sized rural tourism businesses? In general we could argue that they are two different theoretical approaches that to a large extend study the same field of research as argued in chapter 6.

It is in this respect interesting to observe that those owner-managers that expressed the greatest interest in profit and economic growth and could be classified as "growth entrepreneurs" or "business oriented entrepreneurs" were the older owner-managers in the Chilean case. They, on the other side, lacked both necessary resources, codified knowledge and an entrepreneurial attitude to grow the businesses and many of the businesses were already basically not operating. In the Norwegian case the study also indicate that there seems to be a correlate between the risk attached to an investment and the focus on profit as a predominant goal. The research undertaken indicates that very few of the businesses had a desire to grow the business as a means in itself, but that especially in the Chilean case several of the owner-managers expressed a desire to grow the business in order to create local jobs. In the Norwegian case those that demonstrated an interest in growing the business expressed that they felt that growing the business was a necessity in order to increase the income as a means to assure long term survival both for themselves and in some cases also considering generational transfer.

The businesses studied in the Norwegian case seemed in general to be careful with engaging in activities that would imply loosing the economic control. Most of the businesses were, as argued, established as ”single person company” meaning that the owner-managers are personally responsible for any debt that the business creates, and any step in the wrong direction might thus have severe consequences in the sense that they could lose the family property or not find a new job in the community, both of which in the end might result in undesired out-migration. However, although small and micro sized rural tourism businesses might not be geared towards growth and often place job satisfaction and family first, they do, as argued, certainly recognize the need to operate sound, competitive businesses.

We argued in chapter 5 that the concept of innovation distinguish itself by the fact that it requires some sort of implementation of new ideas, new approaches and inventions, and we thus also argued for the usefulness of not only looking at the intentions of the owner-managers as expressed through their visions, goals and plans for the future as resumed above, but to also look at how the firms actually have contributed in terms of product, marked and community/destination development in order to determine their entrepreneurial and innovative capacities. Thus among the studied businesses we thus found a number of innovative product developments like the introduction of ice-climbing on frozen waterfall in the Norwegian case and the (re)production of ceramics and woven materials based on old techniques and tradition in the Chilean case. With reference to the development of new sales markets we e.g. identified the English ice-climbers and the second homes marked in the Norwegian case and the tourism marked as a new sales marked in itself in the Chilean case. With reference to innovation related to the reorganization or restructuring of the companies we saw that the owner-managers continuously were evaluating their product range, marked changes or/and possibilities and thus also restructuring and developing the company according to these requirements.

We saw that in the Norwegian case the studied businesses through their activities have contributed to interesting changes in the local community, e.g. in placing Rjukan on the map as the most known ice-climbing destination in Europe or in spin-off effects for the accommodation sector and the local commerce. In the Chilean case, the tourism activities are by themselves innovative in the sense tourism is a new industry and a new line of economic activity for the Mapuche Lafkenche people. Furthermore, changes on the community level have also occurred in the sense that the tourism entrepreneurs have created “leading edge businesses that act as entrepreneurial role models

inspiring others", and the tourism project has in the Chilean case also lead to improvements in terms of infrastructure, electricity, portable water and has also created some seasonal jobs among some of the communities residents. Thus, one could conclude that small rural tourism businesses do represent a manifestation of entrepreneurship and innovation as more broadly conceived terms, albeit maybe an alternative interpretation from that generally associated with entrepreneurship and innovation as defined by economic theory.

13.4 The everyday life challenges and constraints of small-scale rural tourism

The rate of failure of small-scale (rural) tourism businesses is high and higher than the average rate of failure of small-scale firms more generally, at the same time as the existing research on the subject is limited and partial and often drawn implicit from the wider research on small business failure. Thus, in the following section we will sum up on some of the main findings related to the reported challenges and constraints of the studied businesses which might hamper their role as catalysts for rural development. While some of the challenges thus were common for both case areas, some of them were case-specific.

The challenges and constraints described by the owner-managers can be grouped according to five main categories; the first deals with a number of barriers that directly affected the short-term (and long-term) economic survival of the businesses, the second deals with a number of more socially related challenges, the third deals with a number of personal characteristics; the fourth deals with the supportive environment and the fifth deals with a number of more culturally oriented challenges and constraints. Thus, while especially the first category and to a certain extend also the fourth category identifies a number of common challenges, of which several is found also among the more general small business in tourism, like economic marginalization, lack of funding, few formal marketing strategies, extreme fluctuations in demand and short planning span, the second, third and fifth category identify a number of issues specifically related to operating within the field of tourism.

The first category is characterized by number of constraints that directly affect the short-term (and long-term) economic survival of the businesses and we identified five main challenges or barriers: limited income and a low return on investments; low customer demand due to market size or seasonality; restricted access to capital and financial support; limited marketing due to a number of identified barriers; and, challenges related to pricing experiences. Although the owner-managers as

argued started with tourism as an economical means to develop or maintain a rural everyday life and lifestyle, the marginal economic situation made us conclude that small-scale rural tourism is a profession you "live with" more than "live off". However, we also observed that there are important differences between the two cases which highly influence the owner-managers' ability to make a sustainable living out of tourism. One of the main factors is that tourism is a much less developed industry in Chile and in Lago Budi, which clearly affects the performance of the businesses in terms of a low total number of visitors and extreme fluctuations in demand. The Norwegian owner-managers report the growing importance of the local, nearby cabin market for their overall survival and income, while the Chilean owner-managers report that domestic tourists spend little money and for instance often bring their own food. Furthermore, the problem of charging for the more experiential parts of the products also affects the businesses in both case areas. However, while in the Chilean case there was a tendency to overcharge for products by the older owner-managers, in the Norwegian case the challenge was related to "undercharging", like difficulties related to charging for someone to take part in the daily management of the dairy. In the Norwegian case, the owner-managers also indicated that if one wants to live off rural tourism alone, which only a small minority of them do, one must have no children to support and not require an average Norwegian standard of living.

A number of more socially related challenges and constraints were also observed. Most of these challenges were reported by the Norwegian owner-managers, as they were related to high visitors numbers and heavy work loads during the summer season. Although we could argue that the marginal economic situation is partly responsible for some of the social challenges, for example since it does not allow for employing full time staff, a number of the roles related to operating a small or micro-sized rural tourism business are not easily fulfilled by others. The empirical studies thus found a number of challenges identified also in other studies, like the challenge of finding qualified and reliable staff, the long working hours, the extensive multi-tasking, disruptions to family life and the lack of ability to preserve privacy as major issues. Additionally, we also revealed a number of issues that have not been reported earlier like the challenge of combining the role of raising children and running a small rural tourism business and how the lack of interest from family members impede the development of the business. Furthermore, we also identified that both pluri-activity and extending the season might help relieve the economic marginality, but that this also probably would accentuate the more general wear and tear of small-scale rural tourism, and thus not be sustainable in the long term.

We also argued that in general one of the main challenges of operating a small or micro-sized company is that the performance of the business is closely linked to the owner-managers, their personalities, knowledge and experiences and the third group of identified challenges deals exactly with such issues. We found that in order to survive the economic marginality and the tough "everyday life" of running a small and micro-sized rural tourism business, it is necessary with a special sort of devotion and a pro-active attitude. Furthermore, we also identified that the lack of both tacit and codified knowledge might impede the long term development and survival of the businesses. In this respect we observed that one of the main differences between the Norwegian and Chilean cases was that the Chilean owner-managers, and especially the older owner-managers, lacked essential knowledge about what it implies to be a tourist, how to run a small (tourism) business and how to attend to customers' demand. Furthermore, the Chilean owner-managers also lacked the necessary codified knowledge to maintain and develop several of the ancestral part of their tourism product, e.g. they do not yet know how to build a traditional ruka which is a central product at various of the businesses. Furthermore, we also highlighted the importance of acquiring a number of technocratic skill, related to the administrative multi-tasking that operating a small-scale rural tourism business demands, and we argued that female owner-managers might need extra backing and support, since they tend to not regard their enterprises as "real" businesses, and are less self-confident and more cautious about taking risks than their male counterparts.

The fourth category of challenges and constraints deals with the supportive environment, e.g. the owner-managers' contact and relationship with the public authorities. In the Norwegian case the businesses at which animals and food production are central parts of the tourism product report that they are constrained by a number of strict rules and regulations which highly complicate both their daily operations, and their businesses' profitability and development. At both destinations, the extensive paper work involved in operating a small-scale tourism business and the extensive bureaucracy within certain public offices is reported to be a challenge. Furthermore, the Chilean owner-managers, and also to a certain extend the Norwegians, experience being excluded from central institutions and decision-making processes. In the Norwegian case the owner-managers express a high degree of frustration related to the lack of backing for small-scale entrepreneurs from the local political level, and lack of cooperation, both among the businesses, but also between the tourism businesses and the supportive environment is reported to work against both firm and destination development.

The fifth category deals with a number of more culturally related challenges and constraints and is first and foremost related to the Chilean owner-mangers. The first challeng deals with a number of issues related to the discussion of authenticity and commoditisation in tourism. The tourism businesses in Lago Budi are marketed under a joint umbrella, that of "Nature and Ancestral Culture in Lago Budi". We have discovered that this joint marketing was imposed by the regional tourism office and the local advisor of Impulsa and has eventually resulted in a number of local conflicts. The first conflict is related to the fact that most of the owner-managers and their families do not wish to participate in joint cultural activities which involves demonstrating part of their traditional culture; The second deals with an ongoing discussion and disagreement about staging and cultural commercialization, and about which cultural manifestations that can be put up for sale and not; The third deals with a tense discussions between the owner-managers and advisors within the different funding institutions over what is a correct representation of the (ancestral) culture or a given cultural artifact (i.e. pictures, rukas, etc.). Apart from the challenges and constraints related to authenticity and commoditisation another local cultural characteristic which we have argued also hamper the entrepreneurial and innovative spirit of the owner-managers is that of "projectitis" and a culture of "giving" and "awaiting" benefits, which we have argue results in a rather passive attitude towards own effort.

Finally, and summing up this section we could argue that business failure or closure is normally due to a mix of complex and highly interlinked challenges and constraints, like in the case of Lena where the lack of economical backing for Innovation Norway, the challenge of raising a child in a tourism business, the hectic working hours during peak seasons and the intense relationship with the clients (which is reported as both the best and the worst about operating this kind of small scale tourism business) all contributed to the decision to shut down. Or as in the case of Leif which points to the general "wear and tear" of running this type of business and the lack of family involvement as the main reasons why he is now looking for a way to get out of business.

13.5 Methodological and theoretical considerations

In the following sections we will sum up and conclude about the methodological and theoretical experiences related to the dissertation.

13.5.1 Qualitative versus quantitative approach

As argued in chapter 2 this dissertation takes, contrary to most doctoral dissertation in tourism , its point of departure in what is often defined as ”the interpretative paradigm” and in a qualitative approach to research and knowledge generation. The author believes that the social world must be explored using suitable theories and methods, and that especially with reference to the complex nature of the tourism industry which often takes place in unfamiliar settings and involves a number of different actors, a multidisciplinary and qualitative approach is necessary in order to grasp and understand the operation, organization, impacts and management of tourism. Through the use of a qualitative approach the author feels that the understanding of the research theme, the possible role of small-scale tourism businesses as catalysts for rural development, has been broadened, especially through the fact that many of the specific characteristics of small-scale rural tourism and the reported challenges and constrains as argued in the former section, would never have been spotted if it was not for the stories and narratives of the owner-managers collected through qualitative interviews.

The dissertation is inspired both by the phenomenological and hermeneutical tradition within the interpretative paradigm, but the author refutes the claim for objectivity found within the phenomenological tradition and argued that an ”unbiased” description in terms of research is either relevant or possible. The hermeneutical research, illustrated through the hermeneutical circle, has been highly valuable, and as such the dissertation and its different parts is a clear evidence of the circle itself. The researcher started out with a rather vague and intuitive understanding of the text (the research theme, the role of small-scale tourism businesses as catalysts for rural development) and through interpretations of parts of the text, which were continuously related to the whole, the understanding of the research theme became gradually deeper. Thus, we could simplify and describe the research process in this dissertation approximately in the following manner: The first circle consisted of the reading about existing research on small-scale rural (tourism) businesses and what might characterize them, of which the importance of the family and lifestyle dimensions, and the related alleged lack of entrepreneurial and innovative capacity was spotted; The second circle was the deductive approach where the theoretical findings were tested in light of the collected empirical material; The third circle, given the findings related to the second circle (both with reference to the theories applied and the empirical data) thus focused on getting a more profound understanding of the possible role of small-scale rural tourism businesses through focusing on their reported challenges and constraints through a more explorative everyday life approach; The fourth

circle then consisted of a search for theories and secondary data that might help to shed light on some of the reported challenges and constraints, but which were not captured or understood that easily, e.g. like the "projectitis" in the Chilean case. In the hermeneutic tradition, the sketched circularity is not considered a 'vicious' process, rather it is as also experienced by the author throughout the dissertation, perceived as enriching and fruitful.

13.5.2 Deductive and explorative approach

This dissertation has used both a deductive and explorative approach to research. Both deduction and induction suggest ways to proceed on behalf of which one can draw scientific conclusions. Deduction implies that one, on the basis of general principles, draws conclusions about single events. Such a deductive approach was applied in chapter 4-5 where we on the basis of theoretical input about what characterizes small-scale rural tourism businesses tried to identify and measure these characteristics with reference to the businesses studied in this dissertation. The deductive approach turned out fruitful, not the least since it helped discover a number of shortcomings with the applied theoretical approaches. First, related to the fact that the knowledge we have about small (rural) tourism businesses is very much based on concepts and theories developed by small business researchers with no connection to tourism, and that tourism researchers have largely added empirical data to the knowledge generated. However, the deductive approach also identified that small and micro-sized rural tourism businesses seem to differ substantially from other small businesses and SMEs, and we argued that this in turn could imply that existing theories might not were capable of grasping the complexities of the challenges and constraints associated with the operation, performance and development of these firms. Thirdly, the deductive approach also helped reveal that most of the studies of small and micro-sized rural tourism businesses undertaken by tourism researchers, in line with the general tourism research, tend to apply quantitative techniques in gathering primary data. We thus argued that although these investigations do provide valuable input about the special characteristics of tourism businesses in rural areas, they do not in most cases allow for more in-depth studies of reported challenges and constraints, and that many of the smallest businesses are also in most cases not included in the analyses.

Thus, given the significance of the lifestyle and family dimension of the businesses revealed through the deductive approach and taking into account the limitations of the existing theoretical approaches as highlighted above, we thus argued for the usefulness of supplementing the deductive approach and the more economical oriented theories with a more explorative and inductive

approach focusing on identifying the challenges and constraints of the owner-managers through their everyday life narratives and stories. We argued that understanding the reflections and meaning creation processes of the individuals in the frame of their everyday life, is especially relevant when dealing with small and micro sized businesses in rural tourism, because of the basically non-existing boundaries between the everyday life, family and working life. The inductive approach is very common in case studies and takes it starting point in the empirical material where the aim, like in this dissertation, is to shed light on and supplement existing research and theories. The explorative and inductive approach thus also turned out most fruitful, since it, as argued in the former section allowed for the identification of a number of challenges not found discovered through the deductive approach.

13.5.3 Theoretical approach: economical and sociological perspectives

As argued in the former section the dissertation has drawn both on theoretical inputs from both the economical and sociological campuses. With reference to the more economically oriented theories these were mainly from the fields of "family businesses in tourism" and "entrepreneurship in tourism", two fields which we, as argued, identified as being firmly rooted within the wider field of family businesses, entrepreneurship and small (tourism) business studies. The more sociological approach was the every day life approach and especially as presented by its founder, Alfred Schutz. In the eye of the author combining these two theoretical approaches was highly fruitful, not at least since the everyday life approach, apart from providing motives other than economic to why people may initiate and run small tourism businesses in a rural area, also opened and broaden the perspective and added new theoretical concepts that helped to deepen the understanding of the research theme. Concepts that were thus perceived as useful in this respect was apart from the "everyday life" concept itself, the everyday life knowledge which helped us framing the aspect of tacit and codified knowledge, where the latter helped us understand some of the more sublime challenges of the Chilean owner-managers. Other useful concepts from the sociological everyday life perspective was the concept of "identity" and the dichotomy of "modern" versus "traditional", which greatly helped us frame and understand a number of the desires, motivations and challenges reported both in the Norwegian and Chilean case, and eventually also broaden our understanding of a number of central characteristics of contemporary rural societies and everyday life. Other concepts that helped with the same were the concepts of lifestyle and form of life, which among other factors helped understanding the complex historical and cultural background to many of the more manifest "observations" made through the study. Eventually, however, we also came to

discover, that the ontological and epistemological assumptions of the every day life concept of Schutz might not actually distinguish him much from that of the structuralists or functionalists, and certainly not from the *Naturwissenschaft* with which he attempted so "desperately" to break. By and large the everyday life concept of Schutz, despite all the talk of subjectivity, meaning, interpretation and understanding, is a mainly function-orientated and determined reality and therefore, we argued, many of the same points of criticism which on a general basis can be made of more positivistically orientated human sciences can also be directed at Schutz.

13.5.4 The comparative case-study approach

As highlighted earlier a common starting point for the different individual theoretical traditions within qualitative research is the day-to-day actions of members of society in different situations and under various cultural conditions. This was as argued above also the case with this dissertation through the use of multiple case studies. The case study can also be defined as a research strategy, an empirical inquiry that investigates a phenomenon within its real-life context. Multiple case studies we argued are characterized by their embracing more than a single case study conducted at different places and under different conditions. Two case areas were thus in this dissertation selected for empirical research, the municipalities of Tinn in Norway and ADI Budi in Chile. We have argued that although the two case areas are quite literally on opposite "edges" of the world, or perhaps partly due to this, they share several characteristics and challenges related to tourism development and rural change. Within each of the two selected case areas 11-12 small-scale tourism businesses and their owner-managers were chosen for in-depth interviews and empirical research.

Although at time highly demanding, the multiple case study approach has been evaluated as very useful. Comparative studies are, as argued, not very common in tourism, and through the highly different cases the research provides a rather thorough and extensive analysis of the possible role of small-scale rural tourism businesses as catalysts for rural development, and also about specific factors that might hamper or spur their role as such. The comparative approach thus identified, as argued, a number of common challenges and constraints, of which the most notable among others were the economic marginalization, fluctuations in demand, multitasking, aso. However, the highly different cases also revealed a number of differences, and while the more social challenges, the general "tear and wear" of small-scale rural tourism was identified as one of the most severe challenge in terms of the Norwegian case, the more culturally oriented challenges were perceived as the most severe in the Chilean case. Furthermore, the highly different cases also revealed the

ongoing tension between tradition and modernity in rural areas around the world. Through the empirical analyses of the small-scale rural tourism businesses studied in the two case-areas we have obtained a picture of contemporary rural everyday life as a highly complex reality, a 'cocktail' of historical and contemporary events and processes which on a more general basis have influenced and changed rural areas in both Chile and Norway dramatically compared to only a generation ago. Related to this is thus also the fact that the more traditional understanding of rural areas as *Gemeinschaft* societies, bears little similarity to the actual situation of rural societies.

13.6 Implications and further research

In the following section we will shortly look at some implications and areas where the findings from the dissertation indicate that further research should be directed.

Rural entrepreneurship and innovation in tourism

Through the research undertaken in the dissertation we have argued that the family and lifestyle dimension among small-scale rural tourism businesses is central, at the same time as we have observed that in most cases both private and public rural (economic) development programmes in Norway, Chile and most other Western countries are strongly influenced by the ideology, concepts and theories of the classic economic entrepreneurial paradigm, whose focus is on identifying and supporting profit- and growth-oriented entrepreneurs.

What does this actually imply in terms of the role of these firms as catalysts for rural development? We could argue, if rural small-scale businesses in general are not geared towards growth and profit, are they then served by policies and programmes that are based on the classic economic entrepreneurial paradigm? More research should be directed at identifying whether there is a need for a specific rural understanding of entrepreneurship in general and within tourism specifically where the family and lifestyle aspect is recognized and appreciated not as an operational default with these businesses, but rather as a strength? Is there a need for a change of focus from "the bigger the better" towards "small is beautiful" in rural entrepreneurship (in tourism)? Furthermore, at the same time there is also a need for more research related to both what innovation among small-scale rural tourism businesses actually is or should be and how it can be enhanced.

Furthermore, the research also indicates that greater emphasis must put on national, regional and local differences in entrepreneurship, since factors like history, culture and local "attachment"

clearly have a saying in the entrepreneurial capacity and performance of businesses. The more classic economic entrepreneurial paradigm fails to account for these non-economic determinants. Thus, more research should be directed towards the study of the relationship between entrepreneurship and such aspects of culture, and how they might and might not affect the short and long term survival of the businesses and thus also their role as catalysts for rural development in different geographical settings.

Small-scale rural tourism and the family dimension

Through the conducted study we have identified that family matters do play an important role for all of the businesses studied, being in terms of family involvement in ownership and business establishment, management or the daily operations of the businesses or in terms of attachment to a family property or a clear "family first" orientation. However, we have also argued that it is more fruitful to talk of a "family aspect" or "family dimension" of small-scale rural tourism businesses rather then to define them as "family businesses" as such. More qualitative research should be addressed as to determine the family dimension or aspect of small-scale rural tourism businesses and special attention should be placed on e.g. the subject of female owner-managers. Topics that should be addressed in this respect is more focus towards motives and objectives, and also to identify their specific needs and constraints in relation to the combination of different roles, e.g. like the observed challenge of raising children in a small-scale rural tourism business.

Which kind of support do small-scale rural tourism businesses need?

The conducted study shows that business failure or the decision to close the small-scale rural tourism business is normally due to a complex mix of reasons. Although it might be possible to trace one specific challenge as "the provoking factor", this is normally only the last drop in a chain of reasons that at least with reference to the Norwegian case eventually sums up to the more general "wear and tear" of small-scale rural tourism. Thus, and also with reference to the discussion in the former section regarding "rural entrepreneurship in tourism", we could ask: are there ways in which the small and micro-sized rural tourism businesses could be approached and supported more sustainably? Do these firms have needs that are currently not paid much attention to, but that could emerge as essential in terms of ensuring the survival and development of these firms? The conducted study reveals that although the economical marginalization as argued was a challenge, it seemed that in the Norwegian case the extensive multitasking was perceived as a bigger challenge than lack of capital and income. Several of the owner-managers expressed that they could generate

more money if they only had sufficient time to devote themselves to this task. Thus, the study indicates that small-scale rural tourism businesses might need additional and/or other support than economical start up and development grants, and that, apart from coaching, which is becoming quite popular and by which some of the owner-managers had positive experiences, more research should be directed at how to relief these "non-economical" burdens. For instance it could might be fruitful to provide these businesses with a shared "service secretary" that could take on tasks like accounting, switchboard operations, writing applications, making marketing materials, etc. A number of the Norwegian owner-manager long for more help in this respect, but on their own they cannot afford to hire such a person. Thus, if this support was organized in the way that 3-5 small-scale rural businesses (not necessarily only from tourism) hired such a person jointly, the outcome could be very positive and a spin-off would probably also be the exchange of experiences and increased cooperation, the latter one also a commonly reported challenge. Thus, more qualitative research should be directed towards who the small scale rural (tourism) owners-managers themselves perceive that they could be helped.

"Enkeltmannsforetak" - a barrier to growth and development?

Most of the companies operating within the rural tourism industry are as argued small and micro in size, and in the Norwegian case the vast majority are established as "enkeltmannsforetak". The conducted research reveals in this respect that the term "enkeltmannsforetak" combined with the seasonality factor and the low income that the tourism businesses generate might in it self work against the development of the businesses. The fact that most of them are established as "enkeltmannsforetak" actually implies that some of the owner-managers do not even think of themselves as "real businesses", but more like a sort of "extended hobby". The owner-managers report that they think it's good that there is a way of establishing businesses which requires little capital investment and which involves little bureaucracy, but whether the name of this form of business establishment should be changed, is up for discussion.

Contemporary rural everyday life: the tension between tradition and modernity

We have argued that in the era of tourism as a catalyst for rural development, the myth and idea of rural communities as Gemeinschaft societies are increasingly used in the marketing of rural areas and local communities. However, the analyses conducted in this dissertation show that the actual situation of rural everyday life bear little in common with the notions of the Gemeinschaft society, and that complex processes of change have reshaped the more traditional countryside and left

contemporary rural communities as arenas in which a multitude of tensions and competing demands are played out, frequently reflecting wider social, cultural, economic and historical differences and conflicts. Thus, one could ask if selling rural areas under the label of authenticity in all its plenitude might not only contributes to an economic restructuring of rural areas but could also, as observed through the conducted study, lead to substantial cultural and social restructuring as well? Thus, more research should be directed at how this kind of marketing and idyllization of rural everyday life affect both the development of small-scale tourism businesses and community development as such.

With reference to the Chilean case we have for instance observed how the joint focus on ancestral culture and authentic everyday life actually stifles the articulation of actual local identity or identities. Finally, and with special reference to the Norwegian case we could argue that by selling rural areas and local communities under the overall label of 'authentic rurality' (generations of unchanged traditions, unspoilt nature, local lifestyle, etc.) for tourism purposes, one might at the same time on a more general basis be telling a story about rural life and lifestyle which for some people is associated with "old fashionedness", "drabness", "loneliness", and perhaps among young people, with "extreme boredom". Rural areas could thus, as formerly argued, become places that one loves to visit for vacations, but where no one wants to live. This is actually a rather interesting situation given the huge money the Norwegian state use each year in order to make people move to, stay, settle and establish businesses in rural parts of Norway.

We have thus also found that whether we deal with objective, constructivistic or existential authenticity, they all share the same turning point: they are all centered on ideas, perceptions and comparisons of modernity vis-a-vis tradition, and where the diverging views and opinions provoke a range of conflicts and tensions. In this respect we have also learned that although the discussion about authenticity in tourism has basically been centered on the tourists and their demands, authenticity in tourism is much more complicated, as it is a claim not only from tourists, but also for example from the public and private institutions involved in local and tourism development. We would thus sustain that more research need to be directed at how these processes affect local businesses and rural everyday life as such.

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Interviews

In Chile:

1. Liliana

Makes and sells traditional mapuche products made of straw (wicker baskets, simple instruments, etc.) and different traditional products made of wool (scarfes, bedcovers, bags, etc.)

2. Claudia L.

Makes and sells traditional mapuche handicrafts like weaving and pottery. Function also like a switchboard secretary, since most phone calls from the tourists go via Claudia L. Claudia L. is also the treasurer of the local tourism organization "Llilko leufu Budi".

3. Mario

Offers excursions and guided trips to look at medicine plants and other local fauna. The place also has a small kiosk for beverages and mini zoo with exotic and rare birds.

4. Claudia N.

Offers traditional mapuche handicrafts which are bought from local producers and sold in the traditional ruka (functions as a sales office). The site also contains a cabin for accommodation and an area for picnic including a playground for children. The site additionally offers horse riding, guided trips to the holy hill "Mesa" and stories and tales from the mapuche culture. Interested tourists can also learn about the indigenous culture and language, and to learn how to play on some traditional instruments. Furthermore, they will, on request, perform traditional dances and songs. Maria N. is the leader of the local tourism organization.

5. Daniela

Daniela is the president of a local cooperative which consists of 10 local women who work together. The cooperative makes and sells local traditional weaving products from wool like hats, socks, sweaters, etc.

6. Ximena

Ximena and her husband run a camping and picnic site. The camping is for tents only and has space for a maximum of six tents with a maximum of 4-5 persons in each tent. They also offer trips on the lake and horse riding. The tourists can furthermore take part in the daily activities on the farm like participate in the making of the traditional apple boost chica", harvesting of potatoes, etc.

7. Javier

Javier's site consists of a traditional ruka for accommodation and offers furthermore traditional cuisine, guided trips in boat or traditional mapuche canoe (wuampo) on the lake, horse riding and picnic. The tourists can also take part in the daily farm activities like gathering of potatoes, peas, etc.

8. Miguel

Today Miguel's place calls itself a mapuche tourist center and is more than a camping, which was the initially idea. The place offers four main product lines: camping for tents, traditional cuisiune in the restaurant, excursions (mostly walking trips at the beach) and sale of traditional handicrafts which they buy from local producers.

9. Arturo

Arturo calls his place for the mapuche cultural centre. It offers traditional cuisine, handicrafts and to impart the mapuche culture through tales, stories, animations, music, dances and through the traditional mapuche sport "pallin".

10. Sergio

Sergio runs a small museum on the Huapi island on Lago Budi. The site also has a camping and picnic site and sells bewerages. It is also possible to rent a room for sleeping.

11. Juan

Juan runs together with his wife a small hostel which offers accomodation and local cuisine. It is also possible to observe birds and guided boat trips on the lake.

12. Paula

Paula has a small café which offers traditional cuisine and sells some traditional handicrafts made of straw. Norma is the secretary of the local tourism organization.

13. Pablo Calfuqeo

Employed by the NGO Impulsa and local coordinator and advisor of the tourism project in Lago Budi.

14. Christina Brandt

Has worked with Indap (The Institute for Agrarian Development), which sorts under the umbrella of the Chilean Ministry of Agriculture, in the IX region since the middle of the 1990s. Christina has been responsible for the area of rural tourism.

15. Sebastian Raby

Leader of Sernatur's (the Chilean National Tourism Bureau) regional office in the IX region.

16. Santiago Fernandez
Working for Sernatur's regional office in the IX region. Was involved in the Lago Budi tourism project at an early stage.

17. Nelda
Responsible for the area of tourism at the local authority office in the municipality of Pto. Saavedra.

18. Susana Hess-Kalcher
Works with the German NGO GTZ (The German Technical Cooperation) in Temuco (regional capital). GTZ has worked in the area of Lago Budi for many years.

All the Chilean interviews were conducted in February/March 2004.

In Norway:

1. Gry and Per

Gry and Per run a company that offers a number of activities related to local culture, nature and adventure, e.g. rock- and ice climbing, bungy-jumping, historical trails, etc.

2. Heidi

Heidi runs a traditional summer pasture, and has cabins for rent and a small production area and a café where she makes and sells homemade traditional cuisine. The tourists can also go horse riding, pat the farm animals and take part in the daily diary on the summer pasture.

3. Theodora

Theodora like Heidi runs a traditional summer pasture. One of the first summer pastures to open for tourists in Tinn. Has cabins for rent, production facilities and a small café in a traditional environment from the late 1800s where they offer traditional cuisine. The tourists can also fish in the nearby lake, pat the animals and take part in the daily diary on the summer pasture.

4. Leif

Leif runs a holiday farm. The accommodation consists of an old Telemark farmhouse from the 1800s which has been returned to its original style and a number of cabins. Leif furthermore offers fishing trips, hiking, downhill and cross-country skiing, etc. The tourists can also take part in the daily doings of the farm like helping out with the lambing, taking part in the hay-making, etc.

5. Stein

Stein runs a handicraft center where the main objective is to maintain the handcraft traditions of Tinn, and to provide support and production and sales facilities for local handcraft producers. The center offers a wide range of products like silver knives, carved wooden products, Norwegian rose painted wooden products, handmade wool products, etc.

6. Hanne

Hanne runs a traditional summer pasture. The place has a small café in traditional settings where they offer traditional cuisine. The tourists can also fish in the nearby lake, pat the animals and take part in the daily diary on the summer pasture.

7. Laila

Laila runs a guide service where she offers guided trips for both leisure tourists groups and business groups. Offers a number of guided trips and stories, but has specialized in the war history of Rjukan at the Sabotør route.

8. Lise Lotte

Lise Lotte originally started a holiday farm which provided patting of animals, horse riding and some local foods. Later the range of products has been modified towards horse-drawn sleigh rides and mountain excursions.

9. Nils

Nils also runs a small summer pasture with a history traceable back to the 1500 Century. Apart from offer tourists to take part in the daily doings at the pasture, Nils offers guided walking trips to the Haradangervidda mountain plateau in order to experience the nature, go fishing, etc. He also tells about the history of the mountain plateau and the industrial and war history of Rjukan.

10. Lena

Lena runs a traditional tourist cabin owned by the Norwegian Trekking Association. The cabin offers accommodation for up to 85 persons in a cabin yard consisting of 3 huts. Apart from accommodation they run a small cafeteria and rent out canoes, equipment for fishing, etc.

11. Elizabeth and John

Mirjam and Ruud run a camping and a cabin yard consisting of 17 cabins with accommodation for near 60 persons. The site also has a small cafeteria which is open during the summer season.

12. Paul

Paul’s company offers tailored courses, experiences and arrangements where nature and adventure form central elements of the product. They offer also courses within e.g. rock and ice climbing, etc.

13. Richard Thorsrud, Tourist Cheaf in Tinn until 2005

14. Anita Tapio, Manager of Visit Rjukan until 2008

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